

EXHIBIT B

**(Ex. 26 to the Miller Declaration,
originally filed as ECF 13001-2)
- Part 1**

EXHIBIT 26

CONFIDENTIAL

Ahlberg, Timothy H. - Vol. II

April 23, 2020

225

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO

----- X
In re: :
 : PROMESA
THE FINANCIAL OVERSIGHT : TITLE III
AND MANAGEMENT BOARD :
FOR PUERTO RICO, : Case No.
 : 17 BK 3283-LTS
 as representative of :
 : (Jointly
THE COMMONWEALTH OF : Administered)
PUERTO RICO, :
 :
 Debtor. :
----- X

In re: :
 : PROMESA
THE FINANCIAL OVERSIGHT : TITLE III
AND MANAGEMENT BOARD :
FOR PUERTO RICO, : Case No.
 : 17 BK 3567-LTS
 as representative of :
 :
THE COMMONWEALTH OF : CONFIDENTIAL
PUERTO RICO, et al., : PURSUANT TO
 : PROTECTIVE ORDER
 Debtor. :
----- X

VOL. II OF II

Videotaped deposition of TIMOTHY H.
AHLBERG, conducted virtually, pursuant to
continuance, reported stenographically by
Cynthia J. Conforti, CSR, RPR, CRR, commencing
at the hour of 9:46 a.m. CST, on the 23rd day
of April, 2020.

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<p style="text-align: right;">226</p> <p>1 APPEARANCES: 2 FOR THE FINANCIAL OVERSIGHT AND MANAGEMENT 3 BOARD FOR PUERTO RICO, as representative of the 4 COMMONWEALTH OF PUERTO RICO: 5 PROSKAUER ROSE LLP 6 Eleven Times Square 7 (Eighth Avenue & 41st Street) 8 New York, New York 10036-8299 9 212.969.3000 10 BY: DAVID A. MUNKITTRICK, ESQ. 11 dmunkittrick@proskauer.com 12 MICHAEL T. MERVIS, ESQ. 13 mmervis@proskauer.com 14 15 BY: ELLIOT STEVENS, ESQ. 16 estevens@proskauer.com 17 One International Place 18 Boston, Massachusetts 02110-2600 19 617.526.9600 20 21 FOR AMBAC ASSURANCE CORPORATION: 22 MILBANK LLP 23 55 Hudson Yards 24 New York, New York 10001-2163 25 212.530.5000 26 27 BY: CAELAINN CARNEY, ESQ. 28 ccarney@milbank.com 29 WILL DENKER, ESQ. 30 wdenker@milbank.com 31 JOHN HUGHES, ESQ. 32 jughes2@milbank.com 33 KEVIN MAGGIO, ESQ. 34 kmaggio@milbank.com 35 GRANT MAINLAND, ESQ. 36 gmainland@milbank.com 37 DAVID MARCOU, ESQ. 38 dmarcou@milbank.com 39 ATARA MILLER, ESQ. 40 amiller@milbank.com 41 ALEXANDRA PASLAWSKY, ESQ. 42 apaslawsky@milbank.com 43 KEVIN WESTERMAN, ESQ. 44 kwesterman@milbank.com</p>	<p style="text-align: right;">228</p> <p>1 APPEARANCES: (Continued) 2 3 ON BEHALF OF ASSURED GUARANTY CORP. and ASSURED 4 GUARANTY MUNICIPAL CORP.: 5 CADWALADER, WICKERSHAM & TAFT LLP 6 200 Liberty Street 7 New York, New York 10281 8 212.504.6000 9 10 BY: THOMAS J. CURTIN, ESQ. 11 thomas.curtin@cwt.com 12 BILL NATBONY, ESQ. 13 bill.natbony@cwt.com 14 CASEY JOHN SERVAIS, ESQ. 15 casey.servais@cwt.com 16 JACLYN A. HALL, ESQ. 17 jaclyn.hall@cwt.com 18 19 FOR FINANCIAL GUARANTY INSURANCE COMPANY: 20 21 BUTLER SNOW LLP 22 The Pinnacle at Symphony Place 23 Suite 1600 24 150 3rd Avenue South 25 Nashville, Tennessee 37201 26 615.651.6700 27 28 BY: JASON W. CALLEN, ESQ. 29 jason.callen@butlersnow.com 30 31 BY: ADAM M. LANGLEY, ESQ. 32 adam.langley@butlersnow.com 33 6075 Poplar Avenue 34 Suite 500 35 Memphis, Tennessee 38119 36 901.680.7200</p>
<p style="text-align: right;">227</p> <p>1 APPEARANCES: (Continued) 2 3 FOR NATIONAL PUBLIC FINANCE GUARANTEE CORP.: 4 5 WEIL GOTSHAL & MANGES LLP 6 7 767 Fifth Avenue 8 New York, New York 10153-0119 9 212.310.8000 10 BY: ROBERT S. BEREZIN, ESQ. 11 robert.berezin@weil.com 12 CHRISTINE CALABRESE, ESQ. 13 christine@calabrese@weil.com 14 GASPARD RAPPOPORT, ESQ. 15 gaspard.rappoport@weil.com 16 17 FOR THE PUERTO RICO FISCAL AGENCY AND FINANCIAL 18 ADVISORY AUTHORITY: 19 20 O'MELVENY & MYERS LLP 21 22 610 Newport Center Drive 23 17th Floor 24 Newport Beach, California 92660 25 949.823.6900 26 27 BY: ELIZABETH L. McKEEN, ESQ. 28 emckeen@omm.com 29 ASHLEY PAVEL, ESQ. 30 apavel@omm.com 31 610 Newport Center Drive 32 17th Floor 33 Newport Beach, California 92660 34 949.823.6900 35 36 - also - 37 MARINI PIETRANTONI MUÑOZ LLC 38 250 Avenue Ponce de Leon 39 Suite 900 40 San Juan, Puerto Rico 00918 41 787.705.2171 42 BY: IVÁN GARAU GONZÁLEZ, ESQ. 43 igarau@mpmlawpr.com</p>	<p style="text-align: right;">229</p> <p>1 APPEARANCES: (Continued) 2 3 FOR CANTOR-KATZ COLLATERAL MONITOR LLC, as 4 Collateral Monitor for GDB DEBT RECOVERY 5 AUTHORITY: 6 7 ORRICK, HERRINGTON & SUTCLIFFE LLP 8 9 51 W 52nd Street 10 New York, New York 10019 11 212.506.5000 12 BY: DAVID LITTERINE-KAUFMAN, ESQ. 13 dlitterinekaufman@orrick.com 14 15 FOR THE OFFICIAL COMMITTEE OF UNSECURED 16 CREDITORS: 17 18 PAUL HASTINGS LLP 19 20 MetLife Building 21 200 Park Avenue 22 New York, New York 10166 23 212.318.6000 24 25 BY: ZACHARY S. ZWILLINGER, ESQ. 26 zacharyzwilling@paulhastings.com 27 28 FOR AMERINATIONAL COMMUNITY SERVICES, LLC, as 29 servicer for the GDB DEBT RECOVERY AUTHORITY: 30 MCCONNELL VALDÉS LLC 31 270 Muñoz Rivera Avenue 32 Hato Rey, Puerto Rico 00918 33 787.759.9292 34 BY: NAYUAN ZOUAIRABANI TRINIDAD, ESQ. 35 nzt@mcvpr.com 36 37 ALSO PRESENT: 38 Hira Baig, Weil Gotshal & Manges LLP 39 Lou Testani, Milbank LLP 40 Alexander Whitelaw, Weil Gotshal & Manges LLP 41 Anthony Micheletto, Videographer</p>

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<p style="text-align: right;">234</p> <p>1 PRODUCTION REQUESTS</p> <p>2 Page 432, Line 19:</p> <p>3 "MS. MILLER: Okay. Well, I'm going to</p> <p>4 call for the production of any such documents</p> <p>5 that the Commonwealth intends to rely on as</p> <p>6 evidence that the account that you're going to</p> <p>7 tell me is the transfer account is in fact the</p> <p>8 transfer account."</p> <p>9</p> <p>10 Page 486, Line 17:</p> <p>11 MS. MILLER: "So I'm going to call on the</p> <p>12 record for the production of any such documents</p> <p>13 that you've seen that you're relying on for</p> <p>14 your testimony that the 5144 account is the</p> <p>15 surplus account or that the Commonwealth</p> <p>16 otherwise intends to rely on."</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>	<p style="text-align: right;">236</p> <p>1 (Witness previously sworn.) 09:46:14</p> <p>2 TIMOTHY H. AHLBERG, 09:46:14</p> <p>3 having been duly sworn, was examined and 09:46:14</p> <p>4 testified further as follows: 09:46:14</p> <p>5 EXAMINATION 09:46:16</p> <p>6 BY MS. MILLER: 09:46:16</p> <p>7 Q. Good morning, Mr. Ahlberg. I am 09:46:18</p> <p>8 Atara Miller, and I'm from Milbank, and I'm 09:46:21</p> <p>9 counsel for Ambac Assurance Corporation in this 09:46:24</p> <p>10 matter. I'll be asking questions today 09:46:27</p> <p>11 relating to PRIFAS and CCDA Flow of Funds, and 09:46:30</p> <p>12 I'm asking questions on behalf of all of the 09:46:36</p> <p>13 defendants here. I guess I'll open with that 09:46:38</p> <p>14 here, I should say. 09:46:42</p> <p>15 So as the videographer indicated, 09:46:43</p> <p>16 Mr. Ahlberg, do you understand that you're 09:46:45</p> <p>17 still under oath today? 09:46:47</p> <p>18 A. Yes. 09:46:50</p> <p>19 Q. And you understand that the 09:46:51</p> <p>20 testimony that you're giving has the same 09:46:53</p> <p>21 weight and effect as if you were giving it in a 09:46:55</p> <p>22 court of law, correct? 09:46:58</p> <p>23 A. Yes. 09:47:00</p> <p>24 Q. And the instructions that 09:47:06</p> <p>25 Mr. Natbony gave you yesterday will continue, 09:47:07</p>
<p style="text-align: right;">235</p> <p>1 THE VIDEOGRAPHER: We are now on 09:45:19</p> <p>2 the record. Welcome to the continuing 09:45:20</p> <p>3 deposition of Timothy Ahlberg. My name is 09:45:21</p> <p>4 Anthony Micheletto. I am the videographer and 09:45:25</p> <p>5 conference call host for Henderson Legal 09:45:27</p> <p>6 Services. 09:45:29</p> <p>7 Today's date is April 23, 2020. 09:45:29</p> <p>8 The time is 9:46 a.m., Central time. 09:45:33</p> <p>9 It is my understanding that there 09:45:39</p> <p>10 are approximately 44 attorneys attending 09:45:40</p> <p>11 telephonically. To keep instructions at a 09:45:42</p> <p>12 minimum, I will be muting all telephones except 09:45:45</p> <p>13 the witness, taking attorney, and opposing 09:45:48</p> <p>14 counsel whom will dial *6 so they can be heard. 09:45:51</p> <p>15 In addition, if you are not 09:45:54</p> <p>16 speaking, please make sure you turn off your 09:45:55</p> <p>17 camera on LiveLitigation. You should receive 09:45:57</p> <p>18 the video stream through your computer and 09:46:01</p> <p>19 audio through your phone. Periodically, during 09:46:03</p> <p>20 the break, I will communicate to everyone how 09:46:06</p> <p>21 long we have been on the record. Our court 09:46:08</p> <p>22 reporter today is Cynthia Conforti. 09:46:10</p> <p>23 Mr. Ahlberg, you are still under 09:46:12</p> <p>24 oath. 09:46:14</p> <p>25 Counsel, you may proceed. 09:46:14</p>	<p style="text-align: right;">237</p> <p>1 but I'm just going to remind you of two 09:47:11</p> <p>2 critical ones, particularly as we are taking 09:47:13</p> <p>3 this by video. 09:47:17</p> <p>4 The first one is to be sure not to 09:47:17</p> <p>5 talk over each other. The court reporter, 09:47:20</p> <p>6 especially on video, is going to have a hard 09:47:22</p> <p>7 time recording what you're saying. So I'm 09:47:24</p> <p>8 going to wait for you to finish answering the 09:47:30</p> <p>9 question before I ask the next question. I'm 09:47:32</p> <p>10 going to ask you to wait for me to finish 09:47:34</p> <p>11 asking the question before you start answering. 09:47:37</p> <p>12 Is that okay? 09:47:39</p> <p>13 A. Okay. 09:47:39</p> <p>14 MS. McKEEN: I'm having a 09:47:46</p> <p>15 little -- I'm having a little trouble hearing 09:47:47</p> <p>16 you. Can you maybe position your phone closer 09:47:48</p> <p>17 or turn up the volume on your -- your phone? 09:47:50</p> <p>18 I can hear Atara just fine. 09:48:04</p> <p>19 THE WITNESS: Is that any better? 09:48:04</p> <p>20 MS. McKEEN: It is. Thank you. 09:48:07</p> <p>21 BY MS. MILLER: 09:48:07</p> <p>22 Q. At any time today, if you'd like 09:48:08</p> <p>23 to take a break, I am happy to take one, but I 09:48:10</p> <p>24 am going to ask you to answer any question 09:48:13</p> <p>25 that's pending before we take a break. But 09:48:15</p>

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1	otherwise, if you want a break, I'll take one	09:48:18	1	BY MS. MILLER:	09:50:24
2	at the next convenient point. Is that okay?	09:48:20	2	Q. Okay. So to the best of your	09:50:26
3	A. Okay.	09:48:23	3	knowledge, do other people within Treasury in	09:50:28
4	Q. You testified multiple times on	09:48:25	4	Puerto Rico think about Funds as having	09:50:30
5	Tuesday that in your mind, Funds don't have	09:48:28	5	balances?	09:50:32
6	balances. Do you recall that?	09:48:33	6	MS. McKEEN: Objection.	09:50:34
7	MS. McKEEN: Object to the form.	09:48:37	7	THE WITNESS: Again, I can't	09:50:42
8	THE WITNESS: I do recall saying	09:48:40	8	speculate what every person may or may not	09:50:45
9	that I don't think about Fund numbers in that	09:48:41	9	believe about that concept.	09:50:48
10	way.	09:48:46	10	BY MS. MILLER:	09:50:49
11	BY MS. MILLER:	09:48:46	11	Q. I didn't ask you to speculate. I	09:50:49
12	Q. Okay. When you say "Fund	09:48:49	12	asked you whether to the best of your personal	09:50:51
13	numbers," what do you mean?"	09:48:52	13	knowledge, other people within Treasury in	09:50:53
14	A. Numbers that correspond with	09:48:56	14	Puerto Rico think about Funds as having	09:50:57
15	different Funds within the PRIFAS system.	09:48:59	15	balances.	09:50:58
16	Q. Okay. So let me ask you so the	09:49:02	16	MS. McKEEN: Objection.	09:50:59
17	record's clear.	09:49:06	17	THE WITNESS: It's not typically	09:51:05
18	Mr. Ahlberg, in your opinion, do	09:49:07	18	how me or others think about Funds.	09:51:06
19	Funds have balances?	09:49:11	19	BY MS. MILLER:	09:51:06
20	MS. McKEEN: Objection to the form	09:49:13	20	Q. Okay. And when you say "others,"	09:51:09
21	of the question.	09:49:14	21	who are you referring to?	09:51:12
22	UNIDENTIFIED SPEAKER: Objection.	09:49:19	22	A. Just generally others within the	09:51:20
23	THE WITNESS: I don't typically	09:49:21	23	Department of Treasury.	09:51:21
24	think about Funds as having balances.	09:49:22	24	Q. And when you say "typically," do	09:51:22
25			25	you sometimes think about Funds as having	09:51:24
239			241		
1	BY MS. MILLER:	09:49:22	1	balances?	09:51:26
2	Q. Is it your testimony that Funds	09:49:26	2	A. I don't think about Funds having	09:51:33
3	within the Commonwealth accounting system do	09:49:27	3	balances.	09:51:34
4	not have balances?	09:49:31	4	Q. Okay. So it's your testimony that	09:51:35
5	MS. McKEEN: Objection.	09:49:37	5	Funds do not have balances, right?	09:51:36
6	THE WITNESS: I don't think about	09:49:39	6	MS. McKEEN: Objection.	09:51:40
7	Funds having balances within the TSA account.	09:49:40	7	UNIDENTIFIED SPEAKER: Objection.	09:51:43
8	BY MS. MILLER:	09:49:40	8	THE WITNESS: I don't think about	09:51:46
9	Q. Okay. So it's a yes-or-no	09:49:45	9	Funds having balances within bank accounts.	09:51:48
10	question. I'm not asking you about how you	09:49:46	10	BY MS. MILLER:	09:51:48
11	think about it. I'm asking you whether it is	09:49:48	11	Q. Okay. But you're not willing to	09:51:51
12	your testimony that Funds within the	09:49:52	12	say that they don't have balances, are you?	09:51:52
13	Commonwealth accounting system do not have	09:49:54	13	MS. McKEEN: Objection.	09:51:54
14	balances.	09:49:56	14	THE WITNESS: That's not how I	09:52:01
15	MS. McKEEN: Objection.	09:50:02	15	think about Funds having balances within bank	09:52:03
16	THE WITNESS: It is my testimony	09:50:02	16	accounts.	09:52:06
17	that I don't think about Funds having balances	09:50:03	17	BY MS. MILLER:	09:52:06
18	within bank accounts.	09:50:07	18	Q. I got it. That's not how you	09:52:07
19	BY MS. MILLER:	09:50:07	19	think about it.	09:52:08
20	Q. Does that mean that they don't	09:50:11	20	But my question to you is that you	09:52:09
21	have balances?	09:50:14	21	are not willing to say unequivocally that Funds	09:52:11
22	MS. McKEEN: Objection.	09:50:17	22	do not have balances, right? You cannot say	09:52:14
23	THE WITNESS: It means that that's	09:50:22	23	that.	09:52:17
24	not the way that I think about them.	09:50:24	24		
25			25		

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1	MS. McKEEN: Objection to the form	09:52:18	1	audited financial statements did you review in	09:54:58
2	of the question.	09:52:19	2	connection with your testimony today?	09:55:00
3	BY MS. MILLER:	09:52:19	3	A. Having reviewed hundreds of	09:55:05
4	Q. Okay. Let me ask another	09:52:22	4	documents in preparation for this deposition, I	09:55:07
5	question.	09:52:23	5	can't recall the exact sections of audited	09:55:09
6	Mr. Ahlberg, can you testify	09:52:24	6	financial statements I may have reviewed.	09:55:12
7	unequivocally that Funds within the TSA do not	09:52:26	7	Q. What sections generally did you	09:55:15
8	have balances?	09:52:29	8	review?	09:55:18
9	A. I don't think about Funds having	09:52:39	9	A. I can't recall any specific	09:55:24
10	balances within bank accounts.	09:52:41	10	sections other than general review of the	09:55:26
11	Q. I'm going to ask you for a	09:52:45	11	document.	09:55:29
12	yes-or-no answer to my question. It's a simple	09:52:47	12	Q. How did you look at the audited	09:55:30
13	yes-or-no question. I'm going to ask it again.	09:52:49	13	financials?	09:55:34
14	I want a yes or a no. If you need to just	09:52:51	14	A. It would not be out of the	09:55:39
15	explain after, I'd be happy to ask you for an	09:52:55	15	ordinary course of my daily job function to	09:55:40
16	explanation, but I'd like a yes or no, okay?	09:52:57	16	occasionally look at audited financials.	09:55:44
17	Do you understand that?	09:52:59	17	Q. I know. You told me that you	09:55:47
18	MS. McKEEN: Objection. What	09:53:01	18	looked at them in connection with your	09:55:49
19	you're demanding doesn't dictate what his	09:53:04	19	preparation for your deposition today, so I'm	09:55:50
20	response needs to be. He may not think of it	09:53:08	20	asking do you -- why, in preparing for your	09:55:53
21	as a yes-or-no question no matter how many	09:53:10	21	deposition today, did you look at the audited	09:55:55
22	times you ask it that way.	09:53:13	22	financials for the Commonwealth?	09:55:57
23	BY MS. MILLER:	09:53:15	23	A. In order to prepare for the	09:56:13
24	Q. Mr. Ahlberg, can you testify	09:53:15	24	deposition --	09:56:15
25	unequivocally that Funds within the TSA do not	09:53:17	25	Q. Okay.	09:56:15
243			245		
1	have balances?	09:53:19	1	A. -- (indiscernible.)	09:56:17
2	MS. McKEEN: Objection.	09:53:20	2	Q. Okay. And so in preparing for the	09:56:22
3	THE WITNESS: I do not think about	09:53:26	3	deposition, what did you think was going to be	09:56:23
4	Funds as having balances within the TSA.	09:53:27	4	relevant in the audited financial statement?	09:56:25
5	BY MS. MILLER:	09:53:27	5	MS. McKEEN: I'll object to the	09:56:31
6	Q. Can you tell me why you can't give	09:53:32	6	extent that, Mr. Ahlberg, you can -- you can	09:56:31
7	me a yes-or-no answer to that question?	09:53:34	7	answer the question unless it would require you	09:56:36
8	A. I cannot give you a yes-or-no	09:53:50	8	to divulge communications that you had with	09:56:38
9	answer to that question because that's not how	09:53:52	9	counsel. You can answer the question as long	09:56:42
10	I think about Funds.	09:53:56	10	as you're not revealing attorney-client	09:56:47
11	Q. Mr. Ahlberg, have you ever looked	09:54:07	11	(indiscernible).	09:56:47
12	at the audited financial statements for the	09:54:08	12	THE REPORTER: I'm sorry, "as long	09:56:47
13	Commonwealth?	09:54:10	13	as you're not"?	09:56:47
14	A. I have seen financial statements	09:54:19	14	THE WITNESS: That said, would you	09:56:56
15	of the Commonwealth.	09:54:20	15	mind repeating the question?	09:56:57
16	Q. Have you ever seen the audited	09:54:24	16	BY MS. MILLER:	09:56:59
17	financial statements for the Commonwealth?	09:54:37	17	Q. Sure. My question was:	09:56:59
18	A. I have seen audited financial	09:54:37	18	And so in preparing for the	09:57:05
19	statements of the Commonwealth.	09:54:39	19	deposition, what did you think was going to be	09:57:06
20	Q. Did you review audited financial	09:54:40	20	relevant in the audited financial statement?	09:57:09
21	statements of the Commonwealth in preparation	09:54:42	21	MS. McKEEN: Objection to the form	09:57:14
22	for your testimony today?	09:54:44	22	of the question.	09:57:14
23	A. I did review certain portions of	09:54:50	23	THE WITNESS: I don't think I can	09:57:29
24	audited financial statements.	09:54:53	24	answer without revealing privileged	09:57:30
25	Q. Okay. So what portions of the	09:54:56	25	conversations.	09:57:32

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<p style="text-align: right;">246</p> <p>1 BY MS. MILLER: 09:57:33</p> <p>2 Q. Okay. So your testimony is that 09:57:33</p> <p>3 you only looked at the audited financial 09:57:35</p> <p>4 statement because your lawyers told you to; is 09:57:38</p> <p>5 that right? 09:57:40</p> <p>6 MS. McKEEN: Objection. 09:57:40</p> <p>7 THE WITNESS: That's not what I 09:57:47</p> <p>8 said. 09:57:47</p> <p>9 BY MS. MILLER: 09:57:47</p> <p>10 Q. Okay. Well, that's the only basis 09:57:48</p> <p>11 to not answer the question. 09:57:50</p> <p>12 So if you have other -- another 09:57:51</p> <p>13 answer, I'm happy to take it now and ask the 09:57:53</p> <p>14 question again. 09:57:59</p> <p>15 MS. McKEEN: Objection. 09:58:00</p> <p>16 Atara, he's given you an answer. 09:58:01</p> <p>17 It's argumentative. 09:58:04</p> <p>18 MS. MILLER: He really hasn't. 09:58:04</p> <p>19 Actually, I don't think he's answered a single 09:58:08</p> <p>20 question that I've asked him yet today, so I'm 09:58:11</p> <p>21 doing to continue making my record,, and I'm 09:58:14</p> <p>22 going to go to Judge Dein if I can't start 09:58:17</p> <p>23 getting answers. So if you think this is how 09:58:19</p> <p>24 we're going and you think that's an answer, we 09:58:21</p> <p>25 will have to fight it out with the judge. No, 09:58:22</p>	<p style="text-align: right;">248</p> <p>1 the record.) 09:59:36</p> <p>2 BY MS. MILLER: 09:59:38</p> <p>3 Q. Okay. I want to -- can we mark 09:59:38</p> <p>4 the Commonwealth of Puerto Rico basic financial 09:59:42</p> <p>5 statements that are required supplementary 09:59:45</p> <p>6 information dated June 30, 2016, with 09:59:47</p> <p>7 independent auditor's report thereon, which was 09:59:51</p> <p>8 Bates-stamped COMMONWEALTH_STA 0010186. 09:59:56</p> <p>9 And it's a large document, so 09:59:58</p> <p>10 we're going to mark it as Monolines Exhibit 19A 10:00:00</p> <p>11 and Exhibit 19B so that we can avoid some of 10:00:03</p> <p>12 the system delay issues we had yesterday. 10:00:08</p> <p>13 So it's just the document split. 10:00:11</p> <p>14 19A is up right now, or was up, and we'll have 10:00:13</p> <p>15 19B if you want to flip through more of it. 10:00:20</p> <p>16 MS. MILLER: Kevin, can you put 10:00:27</p> <p>17 19A back up on the screen, please? 10:00:30</p> <p>18 BY MS. MILLER: 10:00:30</p> <p>19 Q. Mr. Ahlberg, while we are waiting 10:00:41</p> <p>20 for the exhibit to get back up on the screen, 10:00:43</p> <p>21 Funds refer to specific portions of cash in the 10:00:46</p> <p>22 TSA; isn't that right? 10:00:48</p> <p>23 MS. McKEEN: Objection. 10:00:50</p> <p>24</p> <p>25</p>
<p style="text-align: right;">247</p> <p>1 he has not given me an answer to my question. 09:58:24</p> <p>2 MS. McKEEN: Atara, I -- 09:58:26</p> <p>3 BY MS. MILLER: 09:58:26</p> <p>4 Q. My -- my question is, 09:58:29</p> <p>5 Mr. Ahlberg -- 09:58:30</p> <p>6 MS. McKEEN: Atara, I was talking. 09:58:32</p> <p>7 If you could not cut me off, that would be 09:58:33</p> <p>8 great. I disagree with your characterization 09:58:35</p> <p>9 of the record and the witness's testimony thus 09:58:37</p> <p>10 far today. 09:58:39</p> <p>11 BY MS. MILLER: 09:58:39</p> <p>12 Q. Mr. Ahlberg, did you have any 09:58:46</p> <p>13 independent reason other than your lawyers 09:58:49</p> <p>14 telling you to look at the financial statements 09:58:52</p> <p>15 to review the audited financial statements in 09:58:54</p> <p>16 preparation for your deposition today? 09:58:59</p> <p>17 A. No. But as I mentioned, I 09:59:09</p> <p>18 occasionally review financial statements in the 09:59:11</p> <p>19 ordinary course of my business. 09:59:14</p> <p>20 Q. You reviewed them in connection 09:59:17</p> <p>21 with your -- the preparation for your 09:59:19</p> <p>22 deposition today, right? 09:59:21</p> <p>23 A. Yes. 09:59:36</p> <p>24 (Monolines Exhibit 19A and 09:59:36</p> <p>25 Exhibit 19B are introduced for 09:59:36</p>	<p style="text-align: right;">249</p> <p>1 THE WITNESS: Can you repeat the 10:01:03</p> <p>2 question? 10:01:04</p> <p>3 BY MS. MILLER: 10:01:04</p> <p>4 Q. Do Funds refer to specific 10:01:06</p> <p>5 portions of cash in the TSA? 10:01:08</p> <p>6 A. Depends on how you use the word 10:01:19</p> <p>7 "Funds." 10:01:23</p> <p>8 Q. Okay. Has the word "Fund," as 10:01:23</p> <p>9 used in the Commonwealth accounting, does it 10:01:26</p> <p>10 refer to specific portions of moneys in the 10:01:28</p> <p>11 TSA? 10:01:30</p> <p>12 MS. McKEEN: Objection. 10:01:33</p> <p>13 THE WITNESS: Funds do not 10:01:42</p> <p>14 identify cash balances within the TSA. 10:01:43</p> <p>15 BY MS. MILLER: 10:01:43</p> <p>16 Q. Okay. That wasn't my question. 10:01:48</p> <p>17 My question is: 10:01:50</p> <p>18 Are Funds associated with specific 10:01:52</p> <p>19 amounts of money in the TSA? 10:01:56</p> <p>20 MS. McKEEN: Objection. 10:02:00</p> <p>21 That wasn't your question. If you 10:02:01</p> <p>22 want to rephrase it, you can. 10:02:03</p> <p>23 BY MS. MILLER: 10:02:03</p> <p>24 Q. Can you answer that question? 10:02:13</p> <p>25 A. Could you repeat it? 10:02:20</p>

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<p style="text-align: right;">250</p> <p>1 Q. Are Funds associated with 10:02:22 2 particular amounts of money in the TSA? 10:02:25 3 A. Funds are not associated with cash 10:02:35 4 balances within the TSA. 10:02:37 5 Q. What are Funds associated with in 10:02:41 6 the TSA? 10:02:42 7 A. Funds are used to record revenue. 10:02:59 8 Q. Revenues in the TSA, right? 10:03:07 9 A. Revenues that results in cash 10:03:12 10 receipts deposited into the TSA. 10:03:15 11 Q. How is that different from what I 10:03:19 12 said? 10:03:21 13 MS. McKEEN: Object to the form. 10:03:25 14 THE WITNESS: An inherent 10:03:29 15 difference between earned revenue and cash 10:03:31 16 receipts. 10:03:33 17 BY MS. MILLER: 10:03:33 18 Q. All right. So can there be cash 10:03:40 19 that's not also revenue? 10:03:42 20 A. The... 10:03:58 21 Are you asking in the Commonwealth 10:04:10 22 if there exists noncash revenue streams? 10:04:12 23 Q. No. My question was the opposite. 10:04:17 24 My question is: 10:04:19 25 Is all cash also revenue? 10:04:19</p>	<p style="text-align: right;">252</p> <p>1 THE WITNESS: I said what I said. 10:05:39 2 BY MS. MILLER: 10:05:44 3 Q. So Funds and Fund numbers do 10:05:45 4 represent specific revenues into the TSA, 10:05:48 5 right? 10:05:53 6 A. Fund numbers can be used to track 10:05:54 7 earned revenues. 10:05:56 8 Q. Okay. And can earned revenues 10:05:59 9 also result in cash in the TSA? 10:06:03 10 A. Earned revenues -- earned revenues 10:06:13 11 that turn into cash receipts may -- may be 10:06:20 12 deposited into the TSA. 10:06:26 13 Q. And may be allocated to the same 10:06:28 14 Fund numbers, correct? 10:06:30 15 MS. McKEEN: Objection. 10:06:31 16 THE WITNESS: I don't think about 10:06:38 17 allocations of Fund numbers. That doesn't make 10:06:38 18 sense to me. 10:06:41 19 BY MS. MILLER: 10:06:41 20 Q. Okay. It may be tagged with the 10:06:41 21 same Fund numbers, right? 10:06:43 22 MS. McKEEN: Objection. 10:06:46 23 THE WITNESS: Would you specify 10:06:48 24 when? 10:06:49 25</p>
<p style="text-align: right;">251</p> <p>1 A. Not being a CPA, I'm not -- I 10:04:27 2 don't know. 10:04:31 3 Q. Okay. So you're prepared to be 10:04:31 4 really specific about the difference between 10:04:33 5 cash and revenue, because you're not a CPA, so 10:04:38 6 you can't tell me whether there's cash that's 10:04:42 7 not also revenue, right? 10:04:44 8 UNIDENTIFIED SPEAKER: Objection. 10:04:48 9 THE WITNESS: I answered your 10:05:01 10 previous question. 10:05:04 11 Is there another question? 10:05:04 12 BY MS. MILLER: 10:05:05 13 Q. Yeah, that was my question. 10:05:06 14 My question was that you're 10:05:06 15 prepared to be very specific about the 10:05:09 16 difference between cash and revenue, but 10:05:09 17 because you're not a CPA, you can't tell me 10:05:10 18 whether there's cash that's not also revenue; 10:05:12 19 is that right? 10:05:18 20 UNIDENTIFIED SPEAKER: Objection. 10:05:18 21 THE WITNESS: I said what I said 10:05:28 22 in the previous answer. 10:05:29 23 BY MS. MILLER: 10:05:29 24 Q. So that's a yes? 10:05:33 25 MS. McKEEN: Objection. 10:05:35</p>	<p style="text-align: right;">253</p> <p>1 BY MS. MILLER: 10:06:49 2 Q. No. 10:06:52 3 Okay. So the exhibit now, which 10:06:52 4 is Monolines Exhibit 19A. As I mentioned, 19B, 10:06:57 5 Mr. Ahlberg, if you need to look at the second 10:07:03 6 half in order to refer to any of my questions, 10:07:05 7 it's available to you. I believe it's 10:07:08 8 submitted -- a submitted exhibit, although it's 10:07:10 9 not currently part of what's being exhibited, 10:07:12 10 so you should have access to that as well. 10:07:14 11 Do you recognize this document? 10:07:26 12 A. I recognize the cover page of this 10:07:28 13 document. 10:07:30 14 Q. Okay. And did you speak to anyone 10:07:33 15 at Treasury about this document in connection 10:07:35 16 with your deposition today? 10:07:38 17 A. No. 10:07:44 18 Q. Okay. I'd like to turn to the 10:07:45 19 next page of the exhibit, please. And do you 10:07:50 20 see this document identifies that it was 10:08:17 21 prepared by the Puerto Rico Department of the 10:08:19 22 Treasury? Do you see that? 10:08:23 23 A. I see that on the document. 10:08:26 24 Q. You have no reason to dispute 10:08:29 25 that, do you? 10:08:32</p>

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1	A.	The document says what it says.	10:08:39	1	question.	10:10:26
2	Q.	Is that a no, you have no reason	10:08:46	2	Do you have any reason to believe	10:10:27
3		to dispute that?	10:08:46	3	that this document was not prepared by the	10:10:28
4		MS. McKEEN: Objection.	10:08:47	4	Puerto Rico Department of Treasury?	10:10:31
5		THE WITNESS: The document says it	10:08:48	5	A. They're basic financial statements	10:10:37
6		was prepared by Puerto Rico Department of	10:08:50	6	and required supplementary information. The	10:10:40
7		Treasury.	10:08:50	7	document shows it was prepared by the	10:10:44
8		BY MS. MILLER:	10:08:52	8	Puerto Rico Department of Treasury.	10:10:46
9	Q.	And you have no basis to think	10:08:52	9	Q. And you have no reason to believe	10:10:47
10		that that's not true, right?	10:08:54	10	that that's not true, right?	10:10:49
11	A.	The document says what it says.	10:09:01	11	A. That's what the document says.	10:10:54
12	Q.	Okay. But I'm asking you whether	10:09:03	12	Q. So you're going to refuse to	10:10:55
13		you had any conversations with anybody at	10:09:05	13	answer that question?	10:10:58
14		Treasury about this document and they said,	10:09:07	14	MS. McKEEN: Objection.	10:11:00
15		"Oh, my God, have you seen the 2016 audited	10:09:10	15	BY MS. MILLER:	10:11:09
16		financials? Crazy that that went out. We had	10:09:13	16	Q. That was a question, Mr. Ahlberg.	10:11:09
17		nothing to do with it. I can't believe our	10:09:14	17	I'm asking you if you're refusing to testify	10:11:11
18		name's on it."	10:09:15	18	about whether you have any reason to believe	10:11:14
19		That's my question.	10:09:16	19	that this document was not prepared by the	10:11:15
20		So when I ask you do you have any	10:09:17	20	Department of Treasury.	10:11:17
21		basis to believe that that's not accurate,	10:09:19	21	A. The document says it was prepared	10:11:22
22		that's what I'm asking. Do you understand?	10:09:21	22	by the Department of Treasury.	10:11:26
23		MS. McKEEN: Objection to the form	10:09:24	23	Q. Have you had any conversations	10:11:27
24		of the question.	10:09:25	24	with anybody that would indicate that this	10:11:29
25				25	document was not in fact prepared by the	10:11:30

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1	BY MS. MILLER:	10:09:30	1	Department of Treasury?	10:11:32	
2	Q.	So I'm going to ask my question	10:09:30	2	A. No.	10:11:40
3		again.	10:09:32	3	Q. Have you seen any document that	10:11:40
4		Do you have any basis to believe	10:09:33	4	would indicate that this document was not in	10:11:42
5		that this document was not prepared by the	10:09:34	5	fact prepared by the Puerto Rico Department of	10:11:45
6		Puerto Rico Department of Treasury?	10:09:37	6	Treasury?	10:11:52
7	A.	The document says it was prepared	10:09:39	7	A. No.	10:11:52
8		by the Puerto Rico Department of Treasury.	10:09:41	8	Q. So you have no independent reason	10:11:52
9	Q.	And you have no independent basis	10:09:42	9	to believe that this document was not prepared	10:11:54
10		to believe that that is not true, right?	10:09:45	10	by the Department of Treasury, correct?	10:11:55
11	A.	The document says what it says.	10:09:51	11	A. Document says it was prepared by	10:12:00
12	Q.	Okay. You won't say that you	10:09:53	12	Puerto Rico Department of Treasury.	10:12:02
13		don't have an independent basis to say that	10:09:54	13	Q. I don't think you need a graduate	10:12:09
14		this was not prepared by the -- by the	10:09:57	14	degree to understand my questions, so I'd	10:12:11
15		Puerto Rico Department of Treasury?	10:10:00	15	appreciate going forward, if you could just	10:12:14
16		MS. McKEEN: Objection to the form	10:10:05	16	answer them. Thank you.	10:12:16
17		of the question.	10:10:06	17	MS. McKEEN: Objection.	10:12:20
18	BY MS. MILLER:	10:10:08	18	BY MS. MILLER:	10:12:21	
19	Q.	Mr. Ahlberg, I don't need you to	10:10:09	19	Q. I'd like you to look at the next	10:12:21
20		testify to what the document says. The	10:10:11	20	page of the exhibit. This is the table of	10:12:22
21		document speaks for itself.	10:10:13	21	contents. Have you seen the table of contents	10:12:25
22		I'm asking you for your testimony,	10:10:15	22	to the audited financial statements?	10:12:29
23		whether you have any reason to believe that	10:10:17	23	A. I don't recall typically viewing	10:12:35
24		this document was not prepared by the	10:10:22	24	the table of contents of these financial	10:12:38
25		Puerto Rico Department of Treasury. That's my	10:10:24	25	statements previously.	10:12:41

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1	Q. Okay. Looking at the financial	10:12:41	1	hundreds of documents in preparation for this	10:15:34
2	statements for the Commonwealth, do you see a	10:12:45	2	deposition, I don't have the Funds memorized.	10:15:36
3	section called Basic Financial Statements?	10:12:47	3	BY MS. MILLER:	10:15:41
4	It's the third line down listed in the	10:12:55	4	Q. Do you know -- can you think of	10:15:41
5	contents.	10:12:57	5	any Fund?	10:15:45
6	A. I see where it says Basic	10:12:58	6	A. It depends on how you're using the	10:15:52
7	Financial Statements.	10:13:03	7	term "Funds."	10:15:56
8	Q. And three lines under that, it	10:13:03	8	Q. Well, I'm asking how you	10:15:57
9	says Fund Financial Statements.	10:13:05	9	understand this term was used in these	10:15:59
10	Do you see that?	10:13:08	10	financial statements. Can you think of any	10:16:01
11	A. I see that.	10:13:08	11	Fund?	10:16:07
12	Q. What's your understanding of what	10:13:09	12	A. I can't think of any off the top	10:16:08
13	Fund Financial Statements are?	10:13:12	13	of my head, but I'm happy to flip to the Fund	10:16:10
14	A. Not being a CPA, I don't know the	10:13:25	14	section of this document with you.	10:16:13
15	exact definition of Fund Financial Statements.	10:13:27	15	Q. Okay. So going down a few lines	10:16:14
16	Q. I'm just asking for your	10:13:29	16	from Fund Financial Statements in the table of	10:16:20
17	understanding.	10:13:30	17	contents, do you see about one, two,	10:16:23
18	You mentioned that these	10:13:31	18	three -- well, the next line talks about	10:16:28
19	are -- this is a document you looked at in	10:13:33	19	Government Fund, and it goes through a number	10:16:29
20	connection with your preparation and also a	10:13:35	20	of Funds that have Fund Financial Statements	10:16:31
21	document that you looked at periodically in the	10:13:37	21	contained within these audited financials.	10:16:34
22	ordinary course of business.	10:13:38	22	Do you see that in the table of	10:16:37
23	So what is your understanding --	10:13:40	23	contents?	10:16:38
24	understanding that you're not a CPA, what is	10:13:42	24	A. I see that.	10:16:38
25	your understanding of what Fund Financial	10:13:44	25	Q. Okay. And so the -- I want you to	10:16:39

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1	Statements are?	10:13:46	1	just look at the third entry. It says:	10:16:43
2	A. My understanding of Fund Financial	10:14:00	2	Statement of revenue, expenditures	10:16:46
3	Statements is that there will be financial	10:14:02	3	and changes in Fund balance.	10:16:48
4	statements for Funds.	10:14:05	4	Do you see that?	10:16:52
5	Q. And when you say "for Funds," what	10:14:07	5	A. Yes, I see it.	10:16:52
6	Funds are we talking about?"	10:14:10	6	Q. Do you have an understanding of	10:16:54
7	A. Not being a CPA, I don't know the	10:14:21	7	what "changes in Fund balance" means?	10:16:55
8	exact Funds.	10:14:25	8	A. Without reviewing page 40 of this	10:17:04
9	Q. Okay. Well, why does that require	10:14:28	9	document, I can't say for certain.	10:17:06
10	being a CPA to answer?	10:14:30	10	Q. Okay. Do you have some basic	10:17:11
11	A. Not being a CPA, I think that	10:14:47	11	accounting knowledge?	10:17:13
12	there are specific definitions for those terms	10:14:50	12	A. I do have some basic accounting	10:17:20
13	that I do not want to mischaracterize, not	10:14:55	13	knowledge.	10:17:22
14	being a CPA.	10:14:57	14	Q. How many accounting classes have	10:17:23
15	Q. Okay. So I understand that you're	10:14:59	15	you taken?	10:17:25
16	not a CPA, and that's pretty clear on the	10:15:01	16	A. I can't recall the exact amount of	10:17:29
17	record so far. So when I ask you questions,	10:15:04	17	accounting classes I've taken.	10:17:31
18	it's all going to be based on your	10:15:07	18	Q. More than one?	10:17:33
19	understanding, which is recognizing that you	10:15:08	19	A. Yes.	10:17:33
20	are not a CPA, okay?	10:15:10	20	Q. More than two?	10:17:37
21	So what's your understanding of	10:15:12	21	A. Yes.	10:17:39
22	what Funds are included?	10:15:14	22	Q. More than three?	10:17:41
23	MS. McKEEN: Objection to the form	10:15:22	23	A. Yes.	10:17:46
24	of the question.	10:15:23	24	Q. More than four?	10:17:46
25	THE WITNESS: Having reviewed	10:15:31	25	A. Yes.	10:17:48

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<p style="text-align: right;">262</p> <p>1 Q. More than five? 10:17:49</p> <p>2 A. I think so, but I'm not positive. 10:17:56</p> <p>3 As I mentioned, I can't recall the exact 10:17:59</p> <p>4 amount. 10:18:00</p> <p>5 Q. Okay. And so you've taken at 10:18:01</p> <p>6 least five accounting courses; is that right? 10:18:04</p> <p>7 A. Yes. 10:18:10</p> <p>8 Q. And were all of those at post high 10:18:11</p> <p>9 school level? 10:18:15</p> <p>10 A. Yes. 10:18:16</p> <p>11 Q. And were some of those part of the 10:18:17</p> <p>12 MBA coursework that you did? 10:18:20</p> <p>13 A. No. 10:18:24</p> <p>14 Q. So you took at least five 10:18:26</p> <p>15 accounting courses in college; is that right? 10:18:30</p> <p>16 A. Yes. 10:18:33</p> <p>17 Q. And does your job require you to 10:18:33</p> <p>18 apply any basic accounting principles or have 10:18:38</p> <p>19 familiarity with accounting principles? 10:18:41</p> <p>20 A. It is not a requirement to occupy 10:18:51</p> <p>21 the position that I have. 10:18:55</p> <p>22 Q. I'm not asking if that's the job 10:18:56</p> <p>23 description. 10:19:00</p> <p>24 I'm asking about whether what you 10:19:00</p> <p>25 do from day-to-day requires you to have general 10:19:04</p>	<p style="text-align: right;">264</p> <p>1 MS. McKEEN: Objection. 10:20:15</p> <p>2 THE WITNESS: I can't recall. 10:20:16</p> <p>3 BY MS. MILLER: 10:20:19</p> <p>4 Q. Okay. Have you taken any courses 10:20:19</p> <p>5 while employed at Conway MacKenzie? 10:20:23</p> <p>6 A. Could you clarify what you mean by 10:20:31</p> <p>7 "courses"? 10:20:35</p> <p>8 Q. Any classes, any continuing 10:20:38</p> <p>9 education presentations, any formal college or 10:20:41</p> <p>10 graduate degree classes; as broad a definition 10:20:45</p> <p>11 of "courses" as you could apply. 10:20:52</p> <p>12 A. I took a course in preparation for 10:21:01</p> <p>13 passing Part 1 of the ERA certification, but no 10:21:03</p> <p>14 college courses while I have been employed by 10:21:11</p> <p>15 Conway MacKenzie. 10:21:15</p> <p>16 Q. Okay. Did you participate in any 10:21:16</p> <p>17 presentations related to government accounting? 10:21:18</p> <p>18 A. Not to my recollection. 10:21:26</p> <p>19 Q. Have you read any books that 10:21:28</p> <p>20 touched on government accounting specifically 10:21:33</p> <p>21 for the purpose of understanding it? 10:21:35</p> <p>22 A. No. 10:21:41</p> <p>23 Q. Okay. So looking back at 10:21:41</p> <p>24 Exhibit 19A, which is still up on the screen, 10:21:43</p> <p>25 did you speak to anybody within the Treasury 10:21:47</p>
<p style="text-align: right;">263</p> <p>1 familiarity with accounting. How's that? 10:19:06</p> <p>2 A. And I have general familiarity 10:19:13</p> <p>3 with accounting concepts. I'm not certain that 10:19:14</p> <p>4 my job requires that. 10:19:18</p> <p>5 Q. Did any of the courses that you 10:19:21</p> <p>6 took on accounting touch on government 10:19:23</p> <p>7 accounting? 10:19:25</p> <p>8 A. I did not take a specific 10:19:37</p> <p>9 government accounting class. 10:19:40</p> <p>10 Q. Okay. But you know that wasn't my 10:19:42</p> <p>11 question. So I'm going to ask you to answer my 10:19:44</p> <p>12 question, which was: 10:19:46</p> <p>13 Did any of the courses that you 10:19:47</p> <p>14 took on accounting touch on government 10:19:48</p> <p>15 accounting? 10:19:49</p> <p>16 UNIDENTIFIED SPEAKER: Objection. 10:19:55</p> <p>17 THE WITNESS: I can't recall a 10:19:57</p> <p>18 specific context of every accounting class I 10:19:58</p> <p>19 took. 10:20:01</p> <p>20 BY MS. MILLER: 10:20:04</p> <p>21 Q. I didn't ask for a recitation of 10:20:05</p> <p>22 the context of every course. 10:20:07</p> <p>23 I'm asking you if you recall 10:20:08</p> <p>24 whether any of the accounting courses that you 10:20:08</p> <p>25 took covered government accounting as well. 10:20:10</p>	<p style="text-align: right;">265</p> <p>1 Department about what "changes in Fund 10:21:51</p> <p>2 balances" mean? 10:21:56</p> <p>3 MS. McKEEN: Objection. 10:21:59</p> <p>4 THE WITNESS: No. 10:22:09</p> <p>5 BY MS. MILLER: 10:22:09</p> <p>6 Q. Are you surprised to see statement 10:22:11</p> <p>7 of revenue expenditures and changes in Fund 10:22:15</p> <p>8 balances as an entry in the table of contents 10:22:17</p> <p>9 of the Commonwealth financial statement? 10:22:21</p> <p>10 A. I'm not surprised one way or the 10:22:31</p> <p>11 other. 10:22:37</p> <p>12 Q. Okay. Even though you don't think 10:22:37</p> <p>13 of Funds as having balances, you're not 10:22:41</p> <p>14 surprised to see that in the Commonwealth 10:22:42</p> <p>15 audited financials? 10:22:44</p> <p>16 A. I'm not surprised one way or the 10:22:49</p> <p>17 other. 10:22:52</p> <p>18 Q. Okay. Having seen this, do you 10:22:52</p> <p>19 stand by your testimony that Funds don't have 10:22:56</p> <p>20 balances? 10:22:58</p> <p>21 UNIDENTIFIED SPEAKER: Objection. 10:22:58</p> <p>22 UNIDENTIFIED SPEAKER: Object to 10:23:05</p> <p>23 the form. 10:23:08</p> <p>24 THE WITNESS: I believe my 10:23:08</p> <p>25 testimony is that I don't think about Funds 10:23:09</p>

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<p style="text-align: right;">266</p> <p>1 having balances within the TSA. 10:23:11</p> <p>2 BY MS. MILLER: 10:23:11</p> <p>3 Q. Okay. Mr. Ahlberg, does this tell 10:23:13</p> <p>4 you that others within the Puerto Rico 10:23:17</p> <p>5 Department of Treasury do think of Funds as 10:23:22</p> <p>6 having balances? 10:23:25</p> <p>7 MS. McKEEN: Objection. 10:23:25</p> <p>8 THE WITNESS: Would you repeat the 10:23:43</p> <p>9 question? 10:23:44</p> <p>10 MS. MILLER: Could the court 10:23:49</p> <p>11 reporter read it back, please? 10:23:49</p> <p>12 (Record read as requested.) 10:24:27</p> <p>13 THE WITNESS: It's unclear to me 10:24:27</p> <p>14 what others may or may not think about Fund 10:24:28</p> <p>15 balances based on this line of the table of 10:24:30</p> <p>16 contents here. 10:24:32</p> <p>17 BY MS. MILLER: 10:24:32</p> <p>18 Q. Okay. Mr. Ahlberg, financial 10:24:33</p> <p>19 statements are prepared to serve the public; is 10:24:37</p> <p>20 that right? Audited financial statements are 10:24:39</p> <p>21 prepared for the public; is that right? 10:24:43</p> <p>22 A. Audited financial statements are 10:24:50</p> <p>23 typically published and acceptable to the 10:24:52</p> <p>24 public. 10:24:58</p> <p>25 Q. And these financial statements 10:24:59</p>	<p style="text-align: right;">268</p> <p>1 (Record read as requested.) 10:27:41</p> <p>2 THE WITNESS: Okay. Well, as I 10:27:41</p> <p>3 mentioned, I don't think about Funds as having 10:27:43</p> <p>4 balances within the TSA. 10:27:47</p> <p>5 BY MS. MILLER: 10:27:47</p> <p>6 Q. All right. So my question is do 10:27:53</p> <p>7 you think of Funds as having balances other 10:27:55</p> <p>8 than balances within the TSA? 10:27:57</p> <p>9 MS. McKEEN: Objection to the 10:27:59</p> <p>10 form. 10:28:03</p> <p>11 THE WITNESS: Right. And as I 10:28:03</p> <p>12 said, I don't think about Funds having balances 10:28:05</p> <p>13 within the TSA. 10:28:08</p> <p>14 BY MS. MILLER: 10:28:08</p> <p>15 Q. Do you think of Funds as having 10:28:14</p> <p>16 any other balances -- all right. Okay. Strike 10:28:17</p> <p>17 that. Let me rephrase. 10:28:20</p> <p>18 Do you think of Funds as having a 10:28:22</p> <p>19 balance other than a balance in the TSA? 10:28:24</p> <p>20 MS. McKEEN: Object to the form. 10:28:29</p> <p>21 BY MS. MILLER: 10:28:32</p> <p>22 Q. Okay. Let me rephrase it one more 10:28:32</p> <p>23 time. 10:28:34</p> <p>24 Do you think about Funds as having 10:28:34</p> <p>25 a balance that is not a balance in the TSA? 10:28:36</p>
<p style="text-align: right;">267</p> <p>1 that we're looking at, do you know who they 10:25:00</p> <p>2 were audited by? 10:25:03</p> <p>3 A. Off the top of my head, I do not 10:25:05</p> <p>4 recall who audited these financial statements. 10:25:07</p> <p>5 Q. Okay. Well, could we move 10:25:10</p> <p>6 two pages forward to the Bates ending 173? 10:25:12</p> <p>7 Does this refresh your recollection about who 10:25:22</p> <p>8 audited these financial statements? 10:25:25</p> <p>9 MS. McKEEN: Object to the form. 10:25:27</p> <p>10 THE WITNESS: I see that this is 10:25:37</p> <p>11 an independent auditor's report with the KPMG 10:25:38</p> <p>12 header on it. 10:25:44</p> <p>13 BY MS. MILLER: 10:25:44</p> <p>14 Q. Mr. Ahlberg, did KPMG audit the 10:25:47</p> <p>15 Commonwealth's 2016 financial statements? 10:25:52</p> <p>16 A. Yes. 10:25:54</p> <p>17 Q. In response to a question that I 10:26:30</p> <p>18 asked previously, you said that your testimony 10:26:32</p> <p>19 is that you don't think about Funds as having 10:26:36</p> <p>20 balances within the TSA. Do you recall that? 10:26:39</p> <p>21 A. Yes. 10:26:45</p> <p>22 Q. Do you think of Funds as having 10:26:46</p> <p>23 balances other than within the TSA? 10:26:49</p> <p>24 THE WITNESS: Could the court 10:27:14</p> <p>25 reporter read back that question, please? 10:27:15</p>	<p style="text-align: right;">269</p> <p>1 A. No. 10:28:45</p> <p>2 Q. Do you have an understanding at 10:28:54</p> <p>3 all of what the Fund balances reflected in the 10:28:56</p> <p>4 audited financial statements are? 10:29:00</p> <p>5 A. I do not know exactly what the 10:29:14</p> <p>6 Fund balances shown in these financial 10:29:16</p> <p>7 statements are. 10:29:19</p> <p>8 Q. All right. And the very concept 10:29:20</p> <p>9 of Fund balances is just dissonant entirely 10:29:22</p> <p>10 with your understanding of Funds; is that 10:29:27</p> <p>11 right? 10:29:30</p> <p>12 MS. McKEEN: Object to the form. 10:29:30</p> <p>13 THE WITNESS: I don't think I 10:29:42</p> <p>14 understood the question. 10:29:43</p> <p>15 BY MS. MILLER: 10:29:43</p> <p>16 Q. My question is: 10:29:45</p> <p>17 The very concept of Fund balances 10:29:47</p> <p>18 is fundamentally inconsistent with your 10:29:49</p> <p>19 understanding of Funds; is that right? 10:29:52</p> <p>20 A. That is right, in the 10:30:00</p> <p>21 context that -- in my work that I do for the 10:30:11</p> <p>22 Department of Treasury on a regular basis. 10:30:13</p> <p>23 Q. What about outside of the context 10:30:15</p> <p>24 of the work that you do for the Department of 10:30:17</p> <p>25 Treasury on a regular basis? 10:30:19</p>

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1	A. No.	10:30:24	1	balances?	10:34:02
2	Q. Okay. Do you have any	10:30:26	2	MS. McKEEN: I'm going to object.	10:34:04
3	understanding of the term "valid" as it relates	10:30:29	3	Mr. Ahlberg is here to testify on behalf of the	10:34:06
4	to a Fund?	10:30:35	4	Commonwealth with respect to specifically	10:34:09
5	A. I don't know the exact definition	10:30:45	5	articulated topics, and I believe Mr. -- that,	10:34:10
6	there.	10:30:46	6	along with all the questions you've asked today	10:34:15
7	Q. I'm asking you if you have an	10:30:52	7	are well outside the scope of those topics. So	10:34:18
8	understanding of the term "balance" as it	10:30:54	8	Mr. Ahlberg can answer your questions if he	10:34:22
9	relates to a Fund. I don't understand your	10:30:58	9	knows the answer, but I don't believe the	10:34:24
10	answer, so let me ask my question again.	10:31:00	10	question you just articulated is within the	10:34:26
11	Did you, Mr. Ahlberg, have a	10:31:03	11	scope of the topics that you identified or as	10:34:28
12	personal understanding of the term "balances,"	10:31:05	12	to which Mr. Ahlberg has been designated.	10:34:30
13	as it relates to a Fund?	10:31:09	13	BY MS. MILLER:	10:34:30
14	A. I just -- I don't think about	10:31:19	14	Q. You can answer if you know.	10:34:33
15	Funds having balances.	10:31:21	15	MS. MILLER: Liz, I honestly	10:34:37
16	Q. So you're -- so in your mind	10:31:24	16	cannot even think of a line of questioning that	10:34:38
17	there's no place where the term "Fund" and the	10:31:27	17	is more directly relevant to the 30(b)(6)	10:34:40
18	term "balance" come together; is that right?	10:31:31	18	deposition. So I don't even understand the	10:34:43
19	MS. McKEEN: Objection.	10:31:35	19	basis for your commentary, but that's not an	10:34:45
20	THE WITNESS: Is there an	10:31:58	20	issue for right now.	10:34:47
21	outstanding question?	10:32:00	21	BY MS. MILLER:	10:34:47
22	BY MS. MILLER:	10:32:00	22	Q. My question to Mr. Ahlberg is:	10:34:49
23	Q. Yes, the outstanding question is:	10:32:02	23	Mr. Ahlberg, do you believe that	10:34:51
24	In your mind there's no place	10:32:05	24	it is the Commonwealth's official position that	10:34:53
25	where the term "Fund" and the term "balance"	10:32:06	25	Funds do not have balances?	10:34:55
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1	come together, right?	10:32:12	1	MS. McKEEN: Same objection. I	10:34:58
2	MS. McKEEN: Same objection.	10:32:12	2	appreciate your disagreement, but I'm going to	10:34:59
3	THE WITNESS: Not in the context	10:32:20	3	continue to make whatever objections I think	10:35:01
4	of the Flow of Funds which we have put together	10:32:23	4	are appropriate.	10:35:03
5	and presented to you guys.	10:32:27	5	BY MS. MILLER:	10:35:03
6	BY MS. MILLER:	10:32:30	6	Q. You can answer.	10:35:11
7	Q. What about in any other context?	10:32:31	7	A. I don't know.	10:35:21
8	A. I don't know.	10:32:37	8	Q. Did you speak to anybody within	10:35:32
9	Q. You don't know what you think?	10:32:44	9	Treasury in preparation for your deposition	10:35:36
10	MS. McKEEN: Objection.	10:32:46	10	today about Fund balances?	10:35:38
11	Atara, did you want to rephrase	10:32:54	11	A. No.	10:35:45
12	the question?	10:32:56	12	MS. MILLER: I'd like to pull up	10:35:59
13	BY MS. MILLER:	10:32:56	13	the next exhibit, please.	10:36:00
14	Q. Mr. Ahlberg, is there any place in	10:32:58	14	BY MS. MILLER:	10:36:00
15	your mind where the term "Fund" and the term	10:33:00	15	Q. Mr. Ahlberg, you testified	10:36:02
16	"balance" come together?	10:33:03	16	yesterday that for the last year plus, you've	10:36:03
17	MS. McKEEN: Objection.	10:33:04	17	been involved in preparing -- in assisting with	10:36:06
18	THE WITNESS: I don't know.	10:33:26	18	preparing the weekly cash flow reports. Do you	10:36:09
19	BY MS. MILLER:	10:33:45	19	recall that?	10:36:11
20	Q. Mr. Ahlberg, you're here	10:33:46	20	A. Yes.	10:36:16
21	testifying on behalf of the Commonwealth; isn't	10:33:47	21	Q. So if we could pull up an example	10:36:18
22	that right?	10:33:51	22	of the weekly cash flow report and mark it as	10:36:22
23	A. Yes.	10:33:51	23	Exhibit 20, please.	10:36:25
24	Q. And this is the official testimony	10:33:55	24		
25	of the Commonwealth that Funds don't have	10:33:57	25		

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1	(Monolines Exhibit 20 is	10:36:25	1	MS. MILLER: Okay. So I'll put on	10:39:06
2	introduced for the record.)	10:36:43	2	the record, and maybe you can pull it up online	10:39:07
3	BY MS. MILLER:	10:36:43	3	for those who can't see it. It's publicly	10:39:09
4	Q. Do you know, Mr. Ahlberg, before	10:36:44	4	available on the AAFAF website. It is the	10:39:13
5	we look at this, whether it is the official	10:36:45	5	Treasury Single Account Fiscal Year 2020 Cash	10:39:18
6	position of the Highway Transportation	10:36:48	6	Flow as of April 10, 2020.	10:39:25
7	Authority that there are no Fund balances?	10:36:51	7	It's for ease for people pulling	10:39:27
8	MS. McKEEN: Same objection as	10:36:59	8	it up, it's the most recent cash flow that was	10:39:29
9	before.	10:37:01	9	published, so it should be the first link.	10:39:31
10	THE WITNESS: I don't know.	10:37:06	10	BY MS. MILLER:	10:39:31
11	BY MS. MILLER:	10:37:06	11	Q. Mr. Ahlberg, I think the question	10:39:33
12	Q. Okay. Great. So you have in	10:37:08	12	that was pending was what are your review	10:39:35
13	front of you a document that's been marked as	10:37:11	13	responsibilities in connection with this	10:39:38
14	Monolines Exhibit 20. Do you see that?	10:37:13	14	document?	10:39:39
15	A. I see the document.	10:37:16	15	A. My review responsibilities with	10:39:49
16	Q. Is this a document that you	10:37:18	16	respect to this document generally involve	10:39:52
17	recognize?	10:37:25	17	making sure that the numbers in this document	10:39:57
18	A. Yes.	10:37:25	18	agree to the numbers of the Department of	10:40:02
19	Q. Is this a document that you	10:37:26	19	Treasury.	10:40:11
20	assisted in preparing?	10:37:27	20	Q. Okay. And are there any numbers	10:40:11
21	A. Me personally, no.	10:37:35	21	in this document, specifically, when you say	10:40:13
22	Q. Okay. Well, can you give me an	10:37:37	22	"the numbers in this document," or generally	10:40:16
23	example, because I'd like to put in front of	10:37:38	23	all of them?	10:40:18
24	you a document that you did personally prepare.	10:37:40	24	A. Generally all of them.	10:40:19
25	So can you give me an example of a	10:37:43	25	Q. Okay. And what documents do you	10:40:22
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1	weekly cash flow report that you assisted in	10:37:47	1	look at to confirm that they align with numbers	10:40:24
2	preparing that you testified about on Tuesday	10:37:51	2	in the Department of Treasury?	10:40:32
3	that I can pull up as an exhibit for you?	10:37:54	3	A. There's several -- several	10:40:39
4	A. I did provide the review of this	10:38:11	4	documents that go into this report. Treasury	10:40:44
5	document. I did not -- I did not prepare the	10:38:13	5	has maintained an internal cash flow, internal	10:40:50
6	document.	10:38:16	6	daily cash flow. That would be my main source	10:40:56
7	Q. Okay. So people who report to you	10:38:17	7	of review with this report, ensuring that this	10:40:59
8	prepared this document?	10:38:21	8	report tied to the internal daily cash flow	10:41:03
9	A. Correct.	10:38:22	9	utilized by the Treasury team.	10:41:08
10	Q. And did you have responsibility	10:38:25	10	Q. Does the internal daily cash flow	10:41:09
11	for reviewing the contents?	10:38:27	11	include Fund designation?	10:41:12
12	A. Yes, I had certain review	10:38:36	12	A. No.	10:41:13
13	responsibilities with respect to this report.	10:38:38	13	Q. Okay. Let me take a step back.	10:41:17
14	Q. Okay. What are your --	10:38:40	14	Can you generally describe what	10:41:19
15	(Simultaneous speaking.)	10:38:43	15	this document is for me?	10:41:21
16	UNIDENTIFIED SPEAKER:	10:38:43	16	A. Generally this document will show	10:41:25
17	(Indiscernible) is not appearing on my screen.	10:38:51	17	cash inflows and outflow from the TSA.	10:41:28
18	BY MS. MILLER:	10:38:51	18	Q. Okay. And so this is explicitly	10:41:38
19	Q. Okay. Does any -- Mr. Ahlberg,	10:38:53	19	focused on moneys within the TSA; is that	10:41:47
20	can you see the document?	10:38:55	20	right?	10:41:50
21	A. Yes.	10:38:56	21	A. Correct. Moneys that flow in or	10:41:50
22	Q. Okay.	10:38:57	22	out of the TSA.	10:41:55
23	MS. MILLER: And Ms. McKeen, can	10:38:58	23	Q. Okay. And if you look at page 8	10:41:56
24	you see it?	10:39:00	24	of the document, if we could turn that so we	10:42:02
25	MS. McKEEN: I can. Thank you.	10:39:01	25	don't have to turn our heads. There we go. Is	10:42:16

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1	this a page from within the report that you	10:42:19	1	Q. As it's used on page 11 of this	10:47:35
2	recognize?	10:42:21	2	document.	10:47:37
3	A. Yes.	10:42:23	3	A. As it's used on this page of the	10:47:43
4	Q. And what is this page?	10:42:23	4	document, first to non-General Fund collections	10:47:47
5	A. The TSA cash flow actual results	10:42:30	5	that either historically or currently pass	10:47:53
6	for the week ended April 10, 2020.	10:42:33	6	through the list.	10:48:02
7	Q. Okay. And do you see that	10:42:39	7	Q. And so you used the word	10:48:02
8	within -- under State Collections, it was	10:42:51	8	"pass-through" in your definition when I asked	10:48:04
9	General Fund Collections. Do you see that?	10:42:56	9	you if there was another way to describe it.	10:48:07
10	A. Yes.	10:43:00	10	And is that because "pass-through"	10:48:09
11	Q. And then it also lists non-General	10:43:01	11	is sort of a self-explanatory, clear phrase in	10:48:11
12	Fund passthrough collections. Do you see that?	10:43:04	12	your mind?	10:48:19
13	A. Yes, I see that.	10:43:11	13	UNIDENTIFIED SPEAKER: Objection.	10:48:19
14	Q. How are non-General Fund	10:43:12	14	THE WITNESS: No.	10:48:23
15	pass-through collections identified in the TSA?	10:43:15	15	BY MS. MILLER:	10:48:23
16	A. Could we please flip to page 10?	10:43:33	16	Q. Okay. So is there another way	10:48:27
17	I just want to be sure that I have the right	10:43:38	17	that you can explain pass-through other than by	10:48:28
18	line item.	10:43:40	18	using the word "pass-through"?	10:48:31
19	Q. I think you could actually control	10:43:46	19	A. If you're just asking for the	10:48:38
20	the document if you want to.	10:43:48	20	general way for first pass-through without	10:48:48
21	A. I cannot right now. I think	10:43:50	21	saying "pass-through," that's a different	10:48:51
22	somebody needs to give me that control.	10:43:52	22	question than -- is -- is that your question?	10:48:53
23	Q. We're on page 10. We're going to	10:43:55	23	Q. That's my question, yes.	10:48:56
24	rotate it and then give you that control so	10:43:56	24	A. Minimally, pass-through means what	10:49:13
25	that you can look at whatever.	10:43:58	25	it means.	10:49:15

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1	A. Okay. Just the (indiscernible).	10:44:01	1	Q. Okay. And then going back to	10:49:16
2	That's right.	10:44:01	2	page 8, the next line is Other Special Revenue	10:49:27
3	Could you repeat your question?	10:44:08	3	Fund Collection. Do you see that?	10:49:43
4	Q. My question is:	10:44:50	4	A. Yes.	10:49:45
5	How are non-General Fund	10:44:52	5	Q. What are Other Special Revenue	10:49:53
6	pass-through collections identified within the	10:44:53	6	Funds?	10:50:05
7	TSA?	10:44:56	7	A. Other Special Revenue Funds	10:50:05
8	A. Non-General Fund pass-through	10:45:20	8	Collections on this document refers to what is	10:50:06
9	collections are understood by concept at the	10:45:23	9	referred to in Treasury as agency collections.	10:50:10
10	sweep account level and the detail by concept.	10:45:31	10	Q. Okay. And then going down, the	10:50:19
11	And by "concept," I mean by the lines that you	10:45:37	11	next section is Federal Fund Receipts. Do you	10:50:23
12	see under non-GF pass-throughs on this page.	10:45:39	12	see that?	10:50:31
13	That information by concept detail is obtained	10:45:45	13	A. Yes, I see that.	10:50:31
14	from data from the sweep accounts.	10:45:50	14	Q. And do you have an understanding	10:50:32
15	Q. Why is it broken out in a	10:46:00	15	of what Federal Fund receipts are?	10:50:33
16	reporting of cash within the TSA?	10:46:02	16	A. Yes.	10:50:38
17	A. This separates cash inflows. It	10:46:16	17	Q. And what are they?	10:50:38
18	does not opine on cash within the TSA.	10:46:21	18	A. In general, it is cash received	10:50:42
19	Q. Do you have an understanding of	10:46:31	19	from federal government entities.	10:50:44
20	what the term "pass-through" means?	10:46:35	20	Q. And are -- are federal funds so	10:50:51
21	A. Pass-through means pass-through.	10:46:45	21	designated within the TSA?	10:50:56
22	Q. Is there any other way you could	10:46:57	22	UNIDENTIFIED SPEAKER: Objection.	
23	describe it?	10:46:59	23	THE WITNESS: I'm -- I'm not sure	
24	A. Another way to describe the	10:47:29	24	I understood the question. Would you repeat	
25	general phrase "pass-through"?	10:47:31	25	it?	

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16 (Pages 282 to 285)

<p style="text-align: right;">282</p> <p>1 BY MS. MILLER:</p> <p>2 Q. Let me ask this:</p> <p>3 Can the Commonwealth send funds,</p> <p>4 federal funds that it receives from Medicaid on</p> <p>5 anything other than Medicaid?</p> <p>6 MS. McKEEN: Objection, outside</p> <p>7 the scope.</p> <p>8 You can answer if you know.</p> <p>9 THE WITNESS: Yeah. I'm not an</p> <p>10 attorney. I don't -- I don't know all the uses</p> <p>11 for Medicaid receipts.</p> <p>12 BY MS. MILLER: 10:52:07</p> <p>13 Q. Okay. So do you think it requires 10:52:07</p> <p>14 an attorney to know all the uses? 10:52:07</p> <p>15 MS. McKEEN: Objection, Atara. 10:52:07</p> <p>16 You could use a better example. 10:52:07</p> <p>17 BY MS. MILLER: 10:52:07</p> <p>18 Q. How do you -- how are federal 10:52:07</p> <p>19 funds identified to be listed in these separate 10:52:10</p> <p>20 buckets within this TSA cash flow report? 10:52:12</p> <p>21 MS. MILLER: Oh, I think we have 10:52:23</p> <p>22 to pause for a minute. Oh, no -- 10:52:24</p> <p>23 THE REPORTER: No, this is the 10:52:33</p> <p>24 court reporter.</p> <p>25 MS. MILLER: Are you -- is the</p>	<p style="text-align: right;">284</p> <p>1 MS. McKEEN: We're fine to go off 10:53:55</p> <p>2 the record as far as a break. It's as good a 10:53:57</p> <p>3 time as any. 10:53:59</p> <p>4 MS. MILLER: Okay. So let's go 10:54:00</p> <p>5 off the record. Let's take a 5-minute break, 10:54:01</p> <p>6 back at 11 Central. 10:54:03</p> <p>7 MS. McKEEN: Atara -- 10:54:06</p> <p>8 THE VIDEOGRAPHER: We are off the 10:54:06</p> <p>9 record at 10:54 a.m. 10:54:10</p> <p>10 (Recess taken.) 10:57:17</p> <p>11 THE VIDEOGRAPHER: We are back on 11:13:11</p> <p>12 the record at 11:13a.m. 11:13:13</p> <p>13 BY MS. MILLER: 11:13:16</p> <p>14 Q. So we were looking at Exhibit 20 11:13:18</p> <p>15 before the break, and I was asking you about 11:13:21</p> <p>16 the federal funds receipt. Do you recall that? 11:13:24</p> <p>17 A. Yes. 11:13:29</p> <p>18 Q. And my question is: 11:13:29</p> <p>19 How are federal funds designated 11:13:30</p> <p>20 within the TSA? 11:13:34</p> <p>21 A. It requires a manual exercise 11:13:41</p> <p>22 performed by Treasury team daily to review the 11:13:46</p> <p>23 TSA operational account bank statements and 11:13:51</p> <p>24 identify transfers from known federal 11:13:53</p> <p>25 government entities and identifying those 11:13:59</p>
<p style="text-align: right;">283</p> <p>1 court reporter okay for us to proceed? I</p> <p>2 believe the answer is yes.</p> <p>3 THE REPORTER: Yes, it's okay --</p> <p>4 it's okay to proceed. I'm back in. Thank you. 10:52:33</p> <p>5 MS. MILLER: Thank you. 10:52:33</p> <p>6 MR. NATBONY: Just to let you 10:52:56</p> <p>7 know, this is Bill Natbony. There is a large 10:52:58</p> <p>8 delay that at least I'm experiencing, something 10:52:59</p> <p>9 like five or six minutes in both the chat room 10:53:02</p> <p>10 and in the -- hearing the testimony. 10:53:05</p> <p>11 MS. MILLER: I wonder if now might 10:53:14</p> <p>12 be -- yeah, I also have a few seconds. I'm 10:53:16</p> <p>13 wondering if now might be a good time to take a 10:53:18</p> <p>14 quick break and maybe let everybody log out and 10:53:21</p> <p>15 get back in. Let's see if that helps. 10:53:25</p> <p>16 THE REPORTER: This is the court</p> <p>17 reporter -- this is the court reporter. I know</p> <p>18 Henderson said that Live Litigation is</p> <p>19 monitoring, So I'll give them a quick call, if</p> <p>20 we want to take a break, and make -- have Live</p> <p>21 Litigation get involved immediately and see if</p> <p>22 they can straighten this out. 10:53:50</p> <p>23 UNIDENTIFIED SPEAKER: Yeah, I did 10:53:50</p> <p>24 log in and log out. It did not help. 10:53:51</p> <p>25 MS. MILLER: Did not help. Okay. 10:53:53</p>	<p style="text-align: right;">285</p> <p>1 transfers as such in their internal daily cash 11:14:09</p> <p>2 flow workbook that I referenced before. 11:14:11</p> <p>3 Q. Okay. And is a particular Federal 11:14:13</p> <p>4 Fund identified within that internal daily 11:14:16</p> <p>5 workbook? 11:14:18</p> <p>6 A. No. 11:14:21</p> <p>7 Q. Okay. So how are the Funds 11:14:21</p> <p>8 tracked once inside the TSA? 11:14:27</p> <p>9 A. The receipt of this cash is 11:14:36</p> <p>10 tracked, as I mentioned. 11:14:40</p> <p>11 Q. Is the outflow of those federal 11:14:42</p> <p>12 funds also tracked? 11:14:46</p> <p>13 A. Outflows of federal funds are 11:14:52</p> <p>14 tracked. 11:14:56</p> <p>15 Q. How are they tracked? 11:14:57</p> <p>16 A. Depends on the nature of the 11:15:01</p> <p>17 outflow. 11:15:02</p> <p>18 Q. Can you give me an example? 11:15:05</p> <p>19 A. For example, in outflow, for 11:15:11</p> <p>20 example, in line 18 on this report, where it 11:15:18</p> <p>21 says "Federal Fund," under Payroll and Related 11:15:22</p> <p>22 Costs, that would require synthesis of the 11:15:25</p> <p>23 biweekly payroll registers that we review in 11:15:34</p> <p>24 which there would be a Fund designation, a 11:15:38</p> <p>25 Fund-type designation. 11:15:43</p>

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1	Q. Are there other outflows that have	11:15:53	1	So can you explain how that's	11:19:45
2	Fund-type designations?	11:15:55	2	responsive to the question that I asked about	11:19:46
3	MS. McKEEN: Objection.	11:16:02	3	whether federal fund inflows and corresponding	11:19:48
4	THE WITNESS: Yes.	11:16:06	4	outflows are designated on Commonwealth	11:19:52
5	BY MS. MILLER:	11:16:06	5	accounting documents with the same Fund number?	11:19:54
6	Q. What other outflows have Fund-type	11:16:08	6	MS. McKEEN: Objection.	11:20:01
7	designations?	11:16:12	7	THE WITNESS: Outflows on the TSA	11:20:32
8	A. Cash outflows to suppliers, which	11:16:19	8	that are identified as federal fund outflows	11:20:35
9	in this report would be captured in line 22	11:16:27	9	would be tagged with a Fund number that would	11:20:40
10	under Vendor Disbursements, Federal fund.	11:16:30	10	be the same universe of Fund numbers that would	11:20:45
11	Q. And are the outflows designated	11:16:46	11	be used within the accounting system to record	11:20:50
12	with the same Fund identifier as the inflows?	11:16:50	12	federal fund revenue.	11:20:54
13	A. I don't know. We have never done	11:17:18	13	BY MS. MILLER:	11:20:54
14	that exercise.	11:17:19	14	Q. What do you mean by "the same	11:20:57
15	Q. When you say "we," who do you	11:17:21	15	universe"?	11:21:00
16	mean?"	11:17:28	16	A. Same list of Fund numbers.	11:21:03
17	A. Treasury.	11:17:28	17	Q. Do you know whether that's true	11:21:08
18	Q. What exercise are you referring to	11:17:29	18	for Fund 278 revenues?	11:21:10
19	that you've never -- that Treasury has never	11:17:30	19	A. Do I know whether what is true for	11:21:19
20	done?	11:17:34	20	Fund 278 revenues?	11:21:23
21	A. I believe that was any kind of	11:17:53	21	Q. Whether outflows of	11:21:25
22	matching federal fund inflows by Fund number on	11:17:55	22	Fund 278 revenues are similarly tagged with	11:21:28
23	Type 2 with their corresponding outflows, which	11:18:06	23	Fund 278.	11:21:32
24	may appear throughout this document in various	11:18:10	24	UNIDENTIFIED SPEAKER: Objection.	11:21:33
25	line items.	11:18:13	25	THE WITNESS: I believe we looked	11:21:50

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1	Q. My question is whether the	11:18:14	1	at vouchers together on Tuesday of transfers	11:21:50
2	outflows are designated on the Commonwealth's	11:18:15	2	from the TSA to HTA in which Fund Number 278	11:21:56
3	internal accounting documents with the same	11:18:18	3	was included on those vouchers.	11:22:02
4	Fund number as the corresponding inflow.	11:18:20	4	BY MS. MILLER:	11:22:02
5	A. And, again, matching specific	11:18:36	5	Q. So Fund 278 is designated on both	11:22:10
6	Fund, Fund ID numbers would not be an exercise	11:18:42	6	inflows and outflows from the TSA with respect	11:22:12
7	that would be required to put together this	11:18:45	7	to revenues therein, correct?	11:22:15
8	report here.	11:18:47	8	MS. McKEEN: Objection.	11:22:20
9	Q. I didn't ask about mapping, so I'm	11:18:48	9	THE WITNESS: No, the outflows	11:22:29
10	going to ask my question for a third time, and	11:18:51	10	would show Fund 278 as being the source of	11:22:32
11	I'm going to ask you to listen to it carefully,	11:18:53	11	those -- source revenues for a transfer or	11:22:37
12	okay? The question is quite narrow:	11:18:56	12	outflow.	11:22:40
13	Are the outflows designated on the	11:19:00	13	BY MS. MILLER:	11:22:40
14	Commonwealth's internal accounting documents	11:19:04	14	Q. So outflows of Fund 278 revenues	11:22:48
15	with the same Fund number as the corresponding	11:19:06	15	would identify Fund 278 as the source of the	11:22:50
16	inflows for the federal fund example that you	11:19:09	16	revenue for that outflow; is that correct?	11:22:54
17	provided?	11:19:15	17	A. I don't know if that's correct the	11:23:03
18	MS. McKEEN: Asked and answered,	11:19:16	18	way you phrased the question, but outflows to	11:23:05
19	objection.	11:19:17	19	HTA that were -- that the funding source was	11:23:08
20	THE WITNESS: We were speaking	11:19:26	20	revenue earned under 278, that transfer would	11:23:12
21	generally about line items.	11:19:27	21	show that the revenue source for that transfer	11:23:15
22	BY MS. MILLER:	11:19:36	22	was Fund 278 revenue.	11:23:17
23	Q. Was that an answer to my question?	11:19:36	23	Q. Okay. I think we can put this	11:23:25
24	A. Yes.	11:19:41	24	exhibit to the side.	11:23:30
25	Q. I don't understand it.	11:19:44	25	I'm going to turn now,	11:23:47

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1	Mr. Ahlberg, to asking you some questions about	11:23:49	1	Q. And were you referring to Sylvia	11:27:13
2	PRIFA, okay?	11:23:52	2	Lopez Jorge?	11:27:25
3	A. Okay.	11:23:53	3	A. I think that's her full name.	11:27:28
4	Q. Just before I do that, one last	11:23:56	4	Q. Do you know what her position is?	11:27:30
5	question.	11:23:58	5	Let me ask. Is she employed at PRIFA?	11:27:32
6	What about outflows of revenues	11:23:59	6	A. Yes.	11:27:34
7	from Fund 278 to a source other than HTA, would	11:24:04	7	Q. Do you know what her position is	11:27:38
8	they also be tagged with Fund 278 as	11:24:15	8	at PRIFA?	11:27:39
9	the -- sorry -- would they also identify	11:24:19	9	A. I don't know what her exact title	11:27:41
10	Fund 278 as the source of the revenue?	11:24:22	10	is, but I know that she's a manager over a lot	11:27:42
11	A. Could you repeat the question all	11:24:27	11	of PRIFA.	11:27:47
12	together, not broken up?	11:24:29	12	Q. Okay. Do you know whether she's	11:27:47
13	Q. Sure. If there were outflows to	11:24:32	13	an accountant?	11:27:49
14	an entity other than HTA that the funding	11:24:41	14	A. I know that generally she's a	11:27:52
15	source was revenue earned under 278, would that	11:24:46	15	manager in the finance and accounting	11:27:54
16	transfer also show the revenue source for the	11:24:51	16	department. I don't know her exact title or	11:27:57
17	transfer of Fund 278?	11:24:54	17	the way that she exactly considers her	11:27:59
18	A. I'm not certain how to answer that	11:25:10	18	professional occupation.	11:28:02
19	hypothetical question, but I've seen no	11:25:12	19	Q. Okay. She's in the finance and	11:28:02
20	outflows to other entities other than HTA that	11:25:14	20	accounting department; is that right?	11:28:04
21	identified the revenue source of Fund 278.	11:25:19	21	A. Yes.	11:28:10
22	Q. Okay. So you're not certain	11:25:26	22	Q. Okay. Do you know if she's a CPA?	11:28:10
23	whether they exist or not?	11:25:29	23	A. I'm not -- I don't know if she's a	11:28:14
24	A. Whether what exists or not?	11:25:32	24	CPA or not.	11:28:16
25	Q. Whether there are, in fact,	11:25:35	25	Q. Okay. And have you spoken to her	11:28:17

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1	transfers to entities other than HTA that	11:25:37	1	other than in preparation -- have you ever	11:28:21
2	identify a revenue source for Fund 278.	11:25:40	2	spoken to her other than in preparation for	11:28:23
3	A. I've seen no evidence of any	11:25:49	3	your deposition?	11:28:26
4	transfers to entities that would have used Fund	11:25:53	4	A. No.	11:28:27
5	source 278 as the revenue source for that	11:25:57	5	Q. And what did you talk to her	11:28:27
6	transfer.	11:26:02	6	about?	11:28:30
7	Q. When I say "PRIFA," you understand	11:26:17	7	A. I would -- we talked about	11:28:42
8	that I'm referring to the Puerto Rico	11:26:19	8	anything that would help put together the Flow	11:28:44
9	Infrastructure Financing Authority, correct?	11:26:28	9	of Funds presentation that was provided to you	11:28:50
10	A. Yeah.	11:26:29	10	guys in order to understand Flow of Funds	11:28:54
11	Q. And you're here testifying as a	11:26:29	11	during the relevant time period.	11:28:56
12	representative of PRIFA, correct?	11:26:35	12	Q. And did you call her with specific	11:28:59
13	A. Yes.	11:26:36	13	questions?	11:29:02
14	Q. Okay. And I think you -- let me	11:26:37	14	A. When we spoke, sometimes I would	11:29:14
15	ask:	11:26:40	15	have questions to ask her.	11:29:16
16	In connection with the work that	11:26:40	16	Q. How many times did you speak to	11:29:19
17	you do, other than this deposition for the	11:26:42	17	her?	11:29:21
18	Commonwealth, do you have any responsibilities	11:26:46	18	A. I can't recall the exact amount of	11:29:25
19	that relate to PRIFA?	11:26:49	19	times that I spoke with her. I would estimate	11:29:27
20	A. No.	11:26:56	20	about two to three times per week for two to	11:29:31
21	Q. You mentioned yesterday that you	11:27:02	21	three weeks.	11:29:35
22	spoke to someone named Sylvia in connection	11:27:04	22	Q. Okay. Did she provide you with	11:29:43
23	with preparing for your deposition today	11:27:07	23	documents that helped you in preparing the Flow	11:29:46
24	related to PRIFA; is that correct?	11:27:09	24	of Funds?	11:29:54
25	A. Yes.	11:27:13	25	A. Yes.	11:29:54

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1	Q.	And did you prepare the initial	11:29:54	1	identified what the key issues in this	11:32:43
2		Flow of Funds or did somebody else do it?	11:30:00	2	litigation are?	11:32:48
3	A.	It was a collaborative effort.	11:30:04	3	MS. McKEEN: Asked and answered.	11:32:48
4	Q.	And who were you collaborating	11:30:07	4	MS. MILLER: Well, I got the stock	11:32:49
5		with?	11:30:10	5	answer that "I reviewed hundreds of documents."	11:32:50
6	A.	Me, Sylvia, I mentioned, and then	11:30:11	6	That's not an answer. The answer is yes or no	11:32:52
7		Treasury Department, Jeira Belén plus Hector	11:30:18	7	to "Did you review it?"	11:32:55
8		Gomez.	11:30:26	8	MS. McKEEN: Let's be clear. He	11:32:56
9	Q.	Anybody else?	11:30:26	9	told you he didn't remember. If you want to	11:32:58
10	A.	Not that I can recall	11:30:29	10	ask him ten different ways, I don't know why	11:33:00
11		specifically.	11:30:32	11	you're expecting a different answer. If you	11:33:02
12	Q.	Were there any lawyers involved in	11:30:32	12	want to keep going, you can, but it's a waste	11:33:05
13		that?	11:30:34	13	of time. He told you he did not remember.	11:33:07
14	A.	Yes.	11:30:34	14	It's not a stock answer if he does not remember	11:33:11
15	Q.	And which lawyers?	11:30:36	15	something, Atara.	11:33:13
16	A.	Attorneys representing O'Melveny &	11:30:44	16	MS. MILLER: I have a feeling	11:33:16
17		Myers, Marini, AAFAP or Proskauer.	11:30:48	17	somebody suggested to him that anytime someone	11:33:17
18	Q.	Okay. I missed what you said	11:30:57	18	asks about a document he testifies that he's	11:33:18
19		before Proskauer.	11:30:59	19	reviewed hundreds of documents and can't	11:33:20
20	A.	Marini I think is the name of the	11:31:00	20	possibly remember the single document I'm	11:33:22
21		law firm.	11:31:04	21	asking about.	11:33:24
22	Q.	So you mentioned O'Melveny, Marini	11:31:04	22	BY MS. MILLER:	11:33:24
23		and Proskauer; is that right?	11:31:09	23	Q. Mr. Ahlberg, did you review legal	11:33:25
24	A.	Yes.	11:31:13	24	briefs submitted in this litigation?	11:33:29
25	Q.	Okay. Have you reviewed any of	11:31:13	25	MS. McKEEN: Stop. I'm going --	11:33:30

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1		the legal briefs that were submitted to the	11:31:22	1	MS. MILLER: You're not	11:33:32
2		Court in connection with this litigation?	11:31:24	2	interrupting me. There's a question pending.	11:33:33
3	A.	I have seen some of that	11:31:33	3	The witness is going to answer the question.	11:33:36
4		information.	11:31:35	4	If you have an objection, you can state	11:33:38
5	Q.	Okay. And what do you recall	11:31:37	5	"objection" without speaking.	11:33:40
6		seeing?	11:31:39	6	MS. McKEEN: Atara, respectfully,	11:33:41
7	A.	I don't recall specific --	11:31:44	7	I'm going to say what I am going to say, and	11:33:45
8		specific documents.	11:31:46	8	you can't stop me. I don't --	11:33:47
9	Q.	Do you remember seeing any	11:31:49	9	MS. MILLER: No. There are rules	11:33:48
10		oversight for briefs in opposition to the	11:31:52	10	that govern it. You can't just put speaking	11:33:50
11		motion?	11:31:55	11	objections on the record. This is my	11:33:52
12	A.	I think so, but without the	11:32:03	12	deposition, not yours. You can defend, you can	11:33:54
13		document in front of me, it's hard to recall.	11:32:04	13	say "objection." I'm not letting you put a	11:33:56
14	Q.	Okay. Do you know if you read it?	11:32:07	14	speech on the record right now.	11:33:59
15	A.	Without the document in front of	11:32:14	15	MS. McKEEN: I'm responding to	11:34:00
16		me, it's hard to recall.	11:32:17	16	your suggestion that the witness was coached to	11:34:02
17	Q.	Did you read any legal briefs that	11:32:18	17	say that I don't appreciate it, and I would	11:34:04
18		were submitted to the Court in connection with	11:32:21	18	appreciate it if you would conduct yourself in	11:34:06
19		this litigation?	11:32:23	19	a more courteous and professional manner, both	11:34:08
20	A.	I've seen hundreds of documents.	11:32:28	20	to me and to the witness, who's given you a lot	11:34:12
21		I just can't recall the specific documents that	11:32:31	21	of his time.	11:34:14
22		I reviewed.	11:32:34	22	So if you would like to ask him	11:34:14
23	Q.	Could that be if you've read any	11:32:35	23	yet a fourth time if he recalls reading briefs,	11:34:15
24		legal briefs -- you don't remember one way or	11:32:39	24	you can. I object to that. Go ahead.	11:34:18
25		another if you've read any legal briefs that	11:32:43	25		

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1	BY MS. MILLER:	11:34:18	1	line.	11:37:38
2	Q. Mr. Ahlberg, do you recall reading	11:34:21	2	...the first proceeds of the	11:37:41
3	any of the legal briefs in connection with this	11:34:22	3	federal excise taxes remitted to the Department	11:37:41
4	matter?	11:34:26	4	of Treasury on Puerto Rico in each fiscal	11:37:49
5	A. I have read various legal briefs.	11:34:27	5	year...	11:37:50
6	I can't recall specifically which ones without	11:34:32	6	Do you see that?	11:37:50
7	having the documents in front of me.	11:34:34	7	A. Yes, I see that.	11:37:51
8	Q. Okay. Thank you.	11:34:37	8	Q. Okay. And then if you go down to	11:37:52
9	MS. MILLER: I'd like to mark as	11:34:47	9	about halfway through the paragraph, as it goes	11:37:55
10	an exhibit tab 1102.	11:34:49	10	through various years which are well behind us,	11:38:01
11	(Monolines Exhibit 21 is	11:34:49	11	so I'm going to skip them.	11:38:03
12	introduced for the record.)	11:35:01	12	So in the case of fiscal year 2006	11:38:05
13	BY MS. MILLER:	11:35:01	13	to '7 to 2008 and '9, and at subsequent years	11:38:07
14	Q. Mr. Ahlberg, did you review the	11:35:02	14	until fiscal year 2056 to '57, the	11:38:12
15	PRIFA Enabling Act in connection with your	11:35:05	15	participation shall be for an amount of up to	11:38:16
16	testimony today?	11:35:08	16	\$117 million, which when received by the	11:38:18
17	A. I did not review the PRIFA	11:35:12	17	Department of Treasury of Puerto Rico, shall be	11:38:22
18	Enabling Act.	11:35:17	18	covered into a Special Fund to be maintained by	11:38:25
19	Q. All right. Do you have a general	11:35:17	19	or on behalf of the authority designated as the	11:38:28
20	understanding of the requirements under the	11:35:20	20	Puerto Rico Infrastructure Fund.	11:38:31
21	PRIFA Enabling Act to deposit certain moneys	11:35:22	21	Do you see that?	11:38:35
22	into particular accounts?	11:35:25	22	A. Yes, I see that.	11:38:36
23	MS. McKEEN: Objection.	11:35:28	23	Q. Okay. Do you have an	11:38:38
24	THE WITNESS: I am aware that the	11:35:34	24	understanding of what Special Fund, capital S,	11:38:40
25	PRIFA Enabling Act has certain information	11:35:36	25	capital F, means in the Commonwealth?	11:38:43
299			301		
1	about moneys in accounts, as you mentioned.	11:35:40	1	MS. McKEEN: Objection.	11:38:51
2	BY MS. MILLER:	11:35:40	2	THE WITNESS: I'm not certain what	11:38:52
3	Q. Okay. I'd like to turn to	11:35:44	3	Special Fund means in the context of this page	11:38:53
4	Section 1914, if we could.	11:35:49	4	here. It looks like a definition that we can	11:38:58
5	Let me ask you while we are	11:36:17	5	refer to within the document.	11:39:00
6	getting to it, because it's about 25 pages in,	11:36:18	6	BY MS. MILLER:	11:39:07
7	so it might take a while. We're going page by	11:36:22	7	Q. Not elsewhere defined in the	11:39:07
8	page here.	11:36:25	8	document, but let me ask you, have you ever	11:39:08
9	Do you have an understanding of	11:36:26	9	heard of that term, Special Fund, being used	11:39:11
10	what a special deposit is as used by the	11:36:28	10	anywhere in Commonwealth accounting?	11:39:16
11	Commonwealth?	11:36:33	11	A. I have heard people use the term	11:39:25
12	A. As used by the Commonwealth in	11:36:45	12	"Special Fund," but depending on the context,	11:39:28
13	what context?	11:36:48	13	people could have been referring to different	11:39:31
14	Q. Well, now you have Section 1914 up	11:36:50	14	things.	11:39:33
15	in front of you, and it's titled Special	11:36:53	15	Q. Okay. And what have you -- what	11:39:36
16	Deposit, and my question is if you have an	11:36:56	16	are some of the things that you think it could	11:39:40
17	understanding within the Commonwealth,	11:37:00	17	have been referring to?	11:39:42
18	accounting or otherwise, what a special deposit	11:37:02	18	A. That's -- I'm not sure I have a	11:39:49
19	means.	11:37:04	19	clear understanding from the document.	11:39:54
20	A. I'm not familiar with the term	11:37:08	20	Q. Okay. Do you know whether	11:39:56
21	"special deposit."	11:37:10	21	special -- I'm sorry.	11:39:58
22	Q. Okay. Have you ever heard it?	11:37:12	22	Going back to special deposit, do	11:39:59
23	A. I may have heard the term before.	11:37:18	23	you know whether special deposit is defined in	11:40:03
24	Q. Okay. Okay. So this provision	11:37:21	24	the Commonwealth financial statement of the	11:40:04
25	requires that -- I'm reading about the second	11:37:32	25	Special Fund?	11:40:06

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<p style="text-align: right;">302</p> <p>1 A. I do not know off the top of my 11:40:11</p> <p>2 head if that's how the financial statements 11:40:15</p> <p>3 define that term. 11:40:16</p> <p>4 Q. Okay. What does "Fund" mean 11:40:17</p> <p>5 within the Commonwealth financial statement? 11:40:27</p> <p>6 MS. McKEEN: Objection. 11:40:30</p> <p>7 THE WITNESS: Not being a CPA, I 11:40:36</p> <p>8 am not certain. Depends on where in the 11:40:37</p> <p>9 financial statements... 11:40:39</p> <p>10 BY MS. MILLER: 11:40:39</p> <p>11 Q. Okay. Can you give me one example 11:40:48</p> <p>12 of what it might mean? 11:40:52</p> <p>13 MS. McKEEN: Objection. 11:41:00</p> <p>14 THE WITNESS: One example of what 11:41:11</p> <p>15 might mean? 11:41:13</p> <p>16 BY MS. MILLER: 11:41:14</p> <p>17 Q. Of what "Fund" means in the 11:41:14</p> <p>18 financial statement. You said it depends on 11:41:17</p> <p>19 where -- where it is in the financial 11:41:19</p> <p>20 statements. 11:41:19</p> <p>21 I'm asking you for one option 11:41:20</p> <p>22 based on anything you can think of, and I think 11:41:22</p> <p>23 you should go back to the financial statements, 11:41:24</p> <p>24 if you want to pull them up and go through 11:41:27</p> <p>25 them. 11:41:29</p>	<p style="text-align: right;">304</p> <p>1 Q. Got it. Okay. 11:42:47</p> <p>2 So we'll pull up Monolines 11:42:49</p> <p>3 Exhibit 19A and look at page 40. 11:42:53</p> <p>4 Okay. So you now have page 40 of 11:43:39</p> <p>5 this Monolines Exhibit 19A in front of you. 11:43:41</p> <p>6 Looking at this document, can you 11:43:44</p> <p>7 tell me what "Fund" means as used within the 11:43:50</p> <p>8 Commonwealth accounting? 11:43:52</p> <p>9 MS. McKEEN: Objection. 11:43:57</p> <p>10 THE WITNESS: Not being a CPA, I'm 11:44:00</p> <p>11 uncertain exactly how "Funds" is used within 11:44:01</p> <p>12 the Commonwealth accounting (indiscernible) 11:44:03</p> <p>13 operate chk give you an example of use of the 11:44:07</p> <p>14 term "Fund," which was the goal of pointing me 11:44:09</p> <p>15 to this page. 11:44:12</p> <p>16 BY MS. MILLER: 11:44:27</p> <p>17 Q. Okay. And you don't know what it 11:44:27</p> <p>18 means when on this page it uses the term 11:44:28</p> <p>19 "Fund." You were just saying it's your -- it 11:44:31</p> <p>20 makes sense where the Commonwealth uses the 11:44:33</p> <p>21 word "Fund" in its accounting statements? 11:44:35</p> <p>22 UNIDENTIFIED SPEAKER: Objection. 11:44:40</p> <p>23 Yes, since that was in direct response to the 11:44:45</p> <p>24 question that you asked. 11:44:48</p> <p>25</p>
<p style="text-align: right;">303</p> <p>1 MS. McKEEN: Objection. 11:41:29</p> <p>2 THE WITNESS: I believe page 40 of 11:41:41</p> <p>3 the financial statements has the word "Fund" on 11:41:44</p> <p>4 it. 11:41:47</p> <p>5 BY MS. MILLER: 11:41:47</p> <p>6 Q. Okay. And my question is: 11:41:48</p> <p>7 What does it mean when it's used 11:41:49</p> <p>8 in the financial statements? 11:41:51</p> <p>9 MS. McKEEN: Can you please click 11:41:52</p> <p>10 the exhibit button so we can all see what 11:41:59</p> <p>11 you're looking at? 11:42:01</p> <p>12 THE WITNESS: I'm looking at 11:42:02</p> <p>13 what's been put in front of me. 11:42:03</p> <p>14 MS. McKEEN: Atara, if you'd like 11:42:15</p> <p>15 the witness to look at page 40 of the financial 11:42:17</p> <p>16 statements, you can put it in front of him. 11:42:18</p> <p>17 BY MS. MILLER: 11:42:18</p> <p>18 Q. Are you saying that you just think 11:42:22</p> <p>19 page 40 off the top of your head? You happen 11:42:24</p> <p>20 to remember that page 40 of the financial 11:42:26</p> <p>21 statements refers to Fund? 11:42:32</p> <p>22 A. If I recall that from the top of 11:42:37</p> <p>23 my head, having used the table of contents of 11:42:40</p> <p>24 that document together, and seeing page 40 next 11:42:43</p> <p>25 to the line that we discussed together. 11:42:46</p>	<p style="text-align: right;">305</p> <p>1 BY MS. MILLER: 11:44:48</p> <p>2 Q. And because you are not a CPA, you 11:44:48</p> <p>3 can't tell me what the word "Fund" as used on 11:45:03</p> <p>4 this page or anywhere else in the audited 11:45:05</p> <p>5 financials means; is that right? 11:45:10</p> <p>6 MS. McKEEN: Objection. 11:45:11</p> <p>7 THE WITNESS: I don't know one way 11:45:13</p> <p>8 or the other how the authors of this document 11:45:14</p> <p>9 are using the term "Fund." 11:45:17</p> <p>10 BY MS. MILLER: 11:45:20</p> <p>11 Q. Well, this isn't meant to be a 11:45:22</p> <p>12 super secret document, right? It's meant for 11:45:25</p> <p>13 public consumption, isn't it? 11:45:28</p> <p>14 MS. McKEEN: Objection. 11:45:30</p> <p>15 THE WITNESS: The audited 11:45:33</p> <p>16 financial statements are made public. 11:45:34</p> <p>17 BY MS. MILLER: 11:45:34</p> <p>18 Q. Do you have an understanding of 11:45:37</p> <p>19 how the public would expect -- as a member of 11:45:38</p> <p>20 the public, how the public would expect the 11:45:40</p> <p>21 word "Fund" to be used in the context of 11:45:42</p> <p>22 Puerto Rico government financial statements? 11:45:43</p> <p>23 UNIDENTIFIED SPEAKER: Objection. 11:45:52</p> <p>24 THE WITNESS: I can't speculate on 11:45:52</p> <p>25 how the public would interpret the use of the 11:45:54</p>

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<p style="text-align: right;">306</p> <p>1 word "Fund." 11:45:57</p> <p>2 BY MS. MILLER: 11:45:57</p> <p>3 Q. What about how you would interpret 11:45:57</p> <p>4 the use of the word "Fund"? 11:45:59</p> <p>5 MS. McKEEN: Objection. 11:46:03</p> <p>6 THE WITNESS: The way that I think 11:46:11</p> <p>7 about the use of the word "Fund" are Fund 11:46:13</p> <p>8 numbers within the PRIFA system. 11:46:16</p> <p>9 BY MS. MILLER: 11:46:16</p> <p>10 Q. Looking -- while we have this 11:46:20</p> <p>11 document up, I know I asked you about it. Once 11:46:22</p> <p>12 we have it, if we can turn to page 161, 162 of 11:46:25</p> <p>13 the PDF. It's not the page that I wanted. So 11:46:29</p> <p>14 I'll have to come back to it. Okay. I'll come 11:46:58</p> <p>15 back to it with a question if I need to. 11:47:01</p> <p>16 MS. McKEEN: Atara, I think you 11:47:11</p> <p>17 have page 151 up. 11:47:12</p> <p>18 THE REPORTER: Ms. McKeen, this is 11:47:12</p> <p>19 the court reporter -- I'm sorry. This is the 11:47:12</p> <p>20 court reporter. Can you just move your phone a 11:47:12</p> <p>21 little bit closer to you? 11:47:12</p> <p>22 MS. McKEEN: Is that better? 11:47:12</p> <p>23 THE REPORTER: Yes. Thank you. 11:47:12</p> <p>24 BY MS. MILLER: 11:47:12</p> <p>25 Q. Okay. I want to turn back to tab 11:47:12</p>	<p style="text-align: right;">308</p> <p>1 received for the specified purposes for which 11:50:32</p> <p>2 the law does not specify its recording in any 11:50:35</p> <p>3 other Fund. It mainly includes -- it mainly 11:50:39</p> <p>4 includes deposits under the custody of the 11:50:42</p> <p>5 Courts of Justice for alimony payments, 11:50:44</p> <p>6 escrows, revenue collections and agency 11:50:47</p> <p>7 accounts for which the Commonwealth act in an 11:50:50</p> <p>8 agent's capacity. 11:50:54</p> <p>9 Q. Okay. Have you spoken to anybody 11:50:57</p> <p>10 at Treasury about Special Deposits? 11:51:05</p> <p>11 A. No. 11:51:11</p> <p>12 Q. Have you had any conversations 11:51:14</p> <p>13 with anyone at PRIFA about the Special Deposits 11:51:17</p> <p>14 established under the Enabling Act? 11:51:27</p> <p>15 A. We did not have particular 11:51:31</p> <p>16 conversations about Special Deposits. 11:51:34</p> <p>17 MS. MILLER: Okay. Can we turn 11:51:37</p> <p>18 back to tab 1102, Kevin, please? 11:51:42</p> <p>19 BY MS. MILLER: 11:51:42</p> <p>20 Q. So we have back in front of us 11:51:45</p> <p>21 Exhibit -- Monolines Exhibit 21, and we are 11:52:07</p> <p>22 looking, again, at Section 1914. And I just 11:52:10</p> <p>23 want to draw your attention to the bottom of 11:52:18</p> <p>24 the middle portion of that paragraph where it 11:52:20</p> <p>25 says the -- shall be covered into -- that the 11:52:25</p>
<p style="text-align: right;">307</p> <p>1 1102. Okay. 11:47:59</p> <p>2 Okay. So, sorry, the page that 11:48:11</p> <p>3 I'm looking for is actually the second half, so 11:48:15</p> <p>4 we're going to just have to load 19B. So give 11:48:21</p> <p>5 me one second. 11:48:23</p> <p>6 MS. MILLER: Kevin, could you go 11:49:38</p> <p>7 to 357, please, back a couple pages? Thank 11:49:40</p> <p>8 you. Okay. Here we go. 11:49:44</p> <p>9 BY MS. MILLER: 11:49:44</p> <p>10 Q. And do you see -- so we are still 11:49:48</p> <p>11 in the audited financials for the year ended 11:49:50</p> <p>12 June 30, 2016. 11:49:54</p> <p>13 Do you see that? 11:49:55</p> <p>14 A. Yes, I see it. 11:49:55</p> <p>15 Q. And there's a section designated 11:50:01</p> <p>16 Special Deposits. 11:50:03</p> <p>17 Do you see that? 11:50:05</p> <p>18 A. I see that. 11:50:09</p> <p>19 Q. And you can just read how the 11:50:10</p> <p>20 Commonwealth defines Special Deposits in its 11:50:12</p> <p>21 financial reports? 11:50:18</p> <p>22 A. Sure. Special Deposits: This 11:50:20</p> <p>23 Fund acts as a fiduciary -- sorry. 11:50:24</p> <p>24 This Fund acts in a fiduciary 11:50:28</p> <p>25 capacity in order to account for moneys 11:50:31</p>	<p style="text-align: right;">309</p> <p>1 moneys shall be covered into a Special Fund to 11:52:27</p> <p>2 be maintained by or on behalf of the authority 11:52:30</p> <p>3 designated as the Puerto Rico Infrastructure 11:52:33</p> <p>4 Fund. 11:52:37</p> <p>5 Do you see that? 11:52:37</p> <p>6 A. Yes, I see that. 11:52:40</p> <p>7 Q. And is the Puerto Rico 11:52:42</p> <p>8 Infrastructure Fund something that you have 11:52:47</p> <p>9 ever come across in the accounting material of 11:52:49</p> <p>10 the Commonwealth? 11:52:58</p> <p>11 A. The concept of the Puerto Rico 11:53:03</p> <p>12 Infrastructure Fund is something I discussed 11:53:06</p> <p>13 with PRIFA. Is that the question? 11:53:18</p> <p>14 Q. That was the question. 11:53:20</p> <p>15 And what did you speak to PRIFA 11:53:22</p> <p>16 about? 11:53:24</p> <p>17 A. We specifically inquired as to the 11:53:34</p> <p>18 existence of an Infrastructure Fund account. 11:53:35</p> <p>19 Q. And what did PRIFA tell you? 11:53:49</p> <p>20 A. That there's no specific bank 11:53:51</p> <p>21 account that is designated or known as the 11:53:57</p> <p>22 Infrastructure Fund. 11:54:00</p> <p>23 Q. Okay. Did you ask whether -- 11:54:03</p> <p>24 other than a specific bank account whether 11:54:05</p> <p>25 there is a Fund, as that term is used in the 11:54:07</p>

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<p style="text-align: right;">310</p> <p>1 Commonwealth accounting, designated the 11:54:09</p> <p>2 Puerto Rico Infrastructure Fund? 11:54:11</p> <p>3 A. Yes. 11:54:17</p> <p>4 Q. And what was the answer? 11:54:19</p> <p>5 A. That, again, there's no -- there's 11:54:24</p> <p>6 no Fund that is the Puerto Rico Infrastructure 11:54:27</p> <p>7 Fund. 11:54:35</p> <p>8 THE REPORTER: I'm sorry. Can you 11:54:35</p> <p>9 repeat the back half of the answer, please? 11:54:36</p> <p>10 THE WITNESS: There is no account 11:54:38</p> <p>11 number or Fund identified as the Puerto Rico 11:54:40</p> <p>12 Infrastructure Fund. 11:54:44</p> <p>13 BY MS. MILLER: 11:54:44</p> <p>14 Q. When you say "account number," you 11:54:51</p> <p>15 mean bank account number? 11:54:54</p> <p>16 A. Correct. 11:54:55</p> <p>17 Q. Did you speak to anybody at the 11:54:59</p> <p>18 Puerto Rico Department of Treasury regarding 11:55:01</p> <p>19 whether or not there was a Puerto Rico 11:55:03</p> <p>20 Infrastructure Fund? 11:55:04</p> <p>21 A. Yes. 11:55:09</p> <p>22 Q. And who did you speak to? 11:55:09</p> <p>23 A. I can recall discussions with 11:55:15</p> <p>24 Jeira Belén and Hector Gomez. 11:55:21</p> <p>25 Q. And what did they tell you about 11:55:23</p>	<p style="text-align: right;">312</p> <p>1 BY MS. MILLER: 11:56:36</p> <p>2 Q. Of what? 11:56:47</p> <p>3 A. Of rum taxes. 11:57:00</p> <p>4 Q. And you testified, I think, that 11:57:03</p> <p>5 over a matter -- course of a few weeks, you put 11:57:06</p> <p>6 together a Flow of Funds for PRIFA among other 11:57:09</p> <p>7 instrumentalities, right? 11:57:13</p> <p>8 A. Yes. 11:57:14</p> <p>9 Q. And were these the Funds that you 11:57:15</p> <p>10 were tracking in the Flow of Funds? 11:57:18</p> <p>11 UNIDENTIFIED SPEAKER: Note my 11:57:29</p> <p>12 objection, please. 11:57:30</p> <p>13 THE WITNESS: The Flow of Funds, 11:57:35</p> <p>14 those are the Flow of Funds for \$117 million in 11:57:39</p> <p>15 each fiscal year. 11:57:48</p> <p>16 BY MS. MILLER: 11:57:48</p> <p>17 Q. Not just any \$117 million, right? 11:57:50</p> <p>18 A. Not just any \$117 million; 11:58:04</p> <p>19 correct. 11:58:11</p> <p>20 Q. Mr. Ahlberg, what moneys are the 11:58:11</p> <p>21 PRIFA Flow of Funds that you prepared tracking? 11:58:13</p> <p>22 A. We generally track the first 11:58:22</p> <p>23 \$117 million of rum tax proceeds. 11:58:24</p> <p>24 Q. Okay. And those are the moneys 11:58:33</p> <p>25 that Section 1914 indicated were to be 11:58:34</p>
<p style="text-align: right;">311</p> <p>1 that? 11:55:29</p> <p>2 A. That they did not understand the 11:55:29</p> <p>3 Puerto Rico Infrastructure Fund as being a 11:55:31</p> <p>4 specific or -- a specific bank account or Fund. 11:55:36</p> <p>5 Q. Well, do you have an understanding 11:55:41</p> <p>6 under the statute, based on what we just read 11:55:43</p> <p>7 in Monolines Exhibit 21, about what the 11:55:47</p> <p>8 Puerto Rico Infrastructure Fund -- what moneys 11:55:50</p> <p>9 were supposed to be deposited into the 11:55:52</p> <p>10 Puerto Rico Infrastructure Fund? 11:55:55</p> <p>11 MS. McKEEN: I'll object to the 11:56:00</p> <p>12 extent it calls for any legal testimony, but if 11:56:02</p> <p>13 the witness has a lay understanding, he can 11:56:04</p> <p>14 answer. 11:56:09</p> <p>15 THE WITNESS: Could you repeat the 11:56:16</p> <p>16 question? 11:56:17</p> <p>17 BY MS. MILLER: 11:56:17</p> <p>18 Q. Do you have an understanding of 11:56:18</p> <p>19 what moneys under Section 1914 of Exhibit 21 11:56:19</p> <p>20 were supposed to flow into the Puerto Rico 11:56:24</p> <p>21 Infrastructure Fund? 11:56:29</p> <p>22 MS. McKEEN: Same objections. 11:56:29</p> <p>23 THE WITNESS: I understand that 11:56:36</p> <p>24 this document specifies up to \$117 million. 11:56:36</p> <p>25</p>	<p style="text-align: right;">313</p> <p>1 deposited in a Special Fund called the 11:58:39</p> <p>2 Puerto Rico Infrastructure Fund, right? 11:58:43</p> <p>3 MS. McKEEN: Objection. 11:58:45</p> <p>4 THE WITNESS: That is what this 11:58:45</p> <p>5 Section 1914 says. 11:58:47</p> <p>6 BY MS. MILLER: 11:58:47</p> <p>7 Q. Okay. And that's why you included 11:58:49</p> <p>8 them in the Flow of Funds because that's the 11:58:50</p> <p>9 money that's in dispute in this litigation, 11:58:53</p> <p>10 right? 11:58:55</p> <p>11 A. I don't know if that's the 11:59:04</p> <p>12 specific reason why we entered the Flow of 11:59:05</p> <p>13 Funds as 117 million. 11:59:12</p> <p>14 Q. And not just any 117 million of 11:59:13</p> <p>15 rum taxes, the first 117 million of rum taxes, 11:59:16</p> <p>16 right, that you were tracking? 11:59:20</p> <p>17 A. The first \$117 million of rum 11:59:22</p> <p>18 taxes in a given fiscal year, yes. 11:59:25</p> <p>19 Q. Mr. Ahlberg, did you review any of 11:59:34</p> <p>20 the Commonwealth financial documents to see if 11:59:36</p> <p>21 there was any discussion of a Puerto Rico 11:59:41</p> <p>22 Infrastructure Fund? 11:59:43</p> <p>23 A. I did not specifically review any 11:59:49</p> <p>24 one particular document in search for the 12:00:00</p> <p>25 phrase "Puerto Rico Infrastructure Fund." 12:00:03</p>

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<p style="text-align: right;">314</p> <p>1 Q. Did you look at whether the 12:00:10</p> <p>2 Puerto Rico Infrastructure Fund was identified 12:00:12</p> <p>3 as a Fund in the Commonwealth's audited 12:00:17</p> <p>4 financial statements? 12:00:20</p> <p>5 A. I can't recall off the top of my 12:00:32</p> <p>6 head if that's something that's included in the 12:00:35</p> <p>7 financial statements or not. 12:00:37</p> <p>8 Q. I'm asking you if you looked. 12:00:37</p> <p>9 A. I did not look through the 12:00:45</p> <p>10 financial statements for that specific phrase. 12:00:47</p> <p>11 Q. Okay. Did you look through the 12:00:52</p> <p>12 financial statements generally for the concept 12:00:55</p> <p>13 of a Fund established to hold the first 12:00:57</p> <p>14 \$117 million of rum excise taxes? 12:01:01</p> <p>15 A. No. 12:01:10</p> <p>16 Q. All right. Other than speaking to 12:01:11</p> <p>17 Sylvia and two people at Treasury, did you do 12:01:17</p> <p>18 anything else to determine whether or not the 12:01:23</p> <p>19 Commonwealth in fact has a Fund called the 12:01:25</p> <p>20 Puerto Rico Infrastructure Fund or another Fund 12:01:27</p> <p>21 designated for the deposit of the first 12:01:30</p> <p>22 \$117 million of rum excise tax? 12:01:32</p> <p>23 A. Outside of the conversations with 12:01:44</p> <p>24 the individuals that I mentioned and -- no. 12:01:46</p> <p>25 Q. Okay. So you did not look at any 12:01:52</p>	<p style="text-align: right;">316</p> <p>1 MS. MILLER: Kevin, I hate to do 12:02:46</p> <p>2 this to you, but I'd like to go back to the 12:02:48</p> <p>3 audited financial statements, please, and I'd 12:02:49</p> <p>4 like to go to page 347. So it will be at 19B. 12:02:51</p> <p>5 BY MS. MILLER: 12:02:51</p> <p>6 Q. Okay. So here we are. Look at 12:03:20</p> <p>7 number 2. 12:03:22</p> <p>8 Do you see that it's called 12:03:25</p> <p>9 Puerto Rico Infrastructure Financing 12:03:26</p> <p>10 Authority's Special Revenue Fund? Do you see 12:03:28</p> <p>11 that? 12:03:33</p> <p>12 A. I see that, yes. 12:03:33</p> <p>13 Q. Okay. And can you just read the 12:03:36</p> <p>14 first sentence to me? 12:03:37</p> <p>15 A. The Special Revenue Fund of the 12:03:43</p> <p>16 Puerto Rico Infrastructure Financing Authority, 12:03:47</p> <p>17 a blended component unit, is used to account 12:03:50</p> <p>18 principally for the moneys received by the 12:03:55</p> <p>19 Commonwealth up to \$117 million of certain 12:03:57</p> <p>20 federal excise taxes levied on rum and other 12:04:01</p> <p>21 articles produced in Puerto Rico and sold in 12:04:05</p> <p>22 the United States which are collected by the 12:04:07</p> <p>23 U.S. Treasury and returned to the Commonwealth. 12:04:09</p> <p>24 Q. Did you have any discussions with 12:04:18</p> <p>25 anybody at Treasury about what this Special 12:04:20</p>
<p style="text-align: right;">315</p> <p>1 documents to independently verify that, did 12:01:55</p> <p>2 you? 12:01:58</p> <p>3 MS. McKEEN: Objection. 12:01:58</p> <p>4 THE WITNESS: No, but I did look 12:02:04</p> <p>5 at enough documents to satisfy myself that the 12:02:05</p> <p>6 Flow of Funds presentation put together was 12:02:11</p> <p>7 accurate. 12:02:16</p> <p>8 BY MS. MILLER: 12:02:16</p> <p>9 Q. Okay. And counsel represented to 12:02:17</p> <p>10 us that at least since 2014, there has been no 12:02:19</p> <p>11 Fund identified as the Puerto Rico 12:02:22</p> <p>12 Infrastructure Funds. Do you understand that? 12:02:23</p> <p>13 Sorry. Do you agree with that 12:02:25</p> <p>14 representation? 12:02:27</p> <p>15 A. Yes. 12:02:27</p> <p>16 Q. Okay. And you believe that to be 12:02:29</p> <p>17 true, don't you? 12:02:31</p> <p>18 A. I guess. 12:02:32</p> <p>19 Q. So that's a yes? 12:02:39</p> <p>20 A. Yes. 12:02:41</p> <p>21 Q. Okay. 12:02:44</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>	<p style="text-align: right;">317</p> <p>1 Revenue Fund is? 12:04:25</p> <p>2 A. No. 12:04:32</p> <p>3 Q. Would you have liked to have known 12:04:33</p> <p>4 about that representation in the financial 12:04:36</p> <p>5 statements when you were having discussions 12:04:42</p> <p>6 about the Puerto Rico Infrastructure Fund? 12:04:44</p> <p>7 UNIDENTIFIED SPEAKER: Objection. 12:04:48</p> <p>8 THE WITNESS: I can't say whether 12:04:53</p> <p>9 it would have impacted our conversations one 12:04:54</p> <p>10 way or the other. 12:04:57</p> <p>11 BY MS. MILLER: 12:04:57</p> <p>12 Q. Okay. But would you have liked to 12:04:58</p> <p>13 have at least known about it so you could ask? 12:05:00</p> <p>14 MS. McKEEN: Objection. 12:05:04</p> <p>15 THE WITNESS: I can't say one way 12:05:09</p> <p>16 or the other. 12:05:11</p> <p>17 MS. MILLER: I'd like to mark as 12:05:49</p> <p>18 an exhibit tab 1107, Monolines Exhibit 22. 12:05:50</p> <p>19 (Monolines Exhibit 22 is 12:05:50</p> <p>20 introduced for the record.) 12:06:40</p> <p>21 BY MS. MILLER: 12:06:40</p> <p>22 Q. Okay. Mr. Ahlberg, you have in 12:06:40</p> <p>23 front of you a document that was marked 12:06:41</p> <p>24 Exhibit 22. If we go to the second page of the 12:06:43</p> <p>25 exhibit, you'll see that it is the trust 12:06:46</p>

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1	agreement related to the Puerto Rico	12:06:54	1	MS. McKEEN: Objection.	12:09:55
2	Infrastructure Financing Authority to Citibank,	12:06:55	2	THE WITNESS: Cash is comingled in	12:09:56
3	N.A?	12:06:55	3	the TSA account, if that's your question.	12:09:59
4	Do you see that?	12:07:01	4	BY MS. MILLER:	12:09:59
5	A. I see that.	12:07:01	5	Q. No. My question is that you can	12:10:02
6	Q. Is this a document that you've	12:07:03	6	have General Fund money in an account and you	12:10:05
7	seen before?	12:07:05	7	can have Fund 278 money in the account and you	12:10:08
8	A. I don't recall specifically	12:07:10	8	can have federal fund money in the account, but	12:10:12
9	reviewing this particular document.	12:07:19	9	there is cash within a single account but the	12:10:14
10	Q. Are you generally familiar with	12:07:28	10	cash is coming from various different Funds,	12:10:17
11	the various accounts that were supposed to be	12:07:29	11	correct?	12:10:24
12	set up under both the Enabling Act and the	12:07:31	12	MS. McKEEN: Objection.	12:10:24
13	trust agreement for -- sorry -- through which	12:07:34	13	THE WITNESS: The source of the	12:10:26
14	the first \$117 million of rum taxes were	12:07:41	14	cash that ends up in the TSA are	12:10:28
15	supposed to flow?	12:07:44	15	different -- different revenue types, different	12:10:32
16	MS. McKEEN: Objection.	12:07:47	16	Fund types.	12:10:33
17	THE WITNESS: I'm not an attorney.	12:07:48	17	BY MS. MILLER:	12:10:33
18	I'm not specific of what those -- our trust	12:07:50	18	Q. They're allocated on the	12:10:36
19	agreement requires in terms of bank accounts or	12:07:52	19	Commonwealth's internal accounting document to	12:10:37
20	not.	12:07:56	20	different Funds, right?	12:10:39
21	BY MS. MILLER:	12:07:56	21	A. The revenues are tagged with Fund	12:10:43
22	Q. I'm not asking what was required.	12:07:56	22	number identifiers when revenue is recorded.	12:10:46
23	I am just asking do you structurally understand	12:07:58	23	Q. Okay. And a single Fund can also	12:10:53
24	the Funds or account that the first	12:08:01	24	have multiple bank accounts associated with it,	12:11:01
25	\$117 million of Puerto Rico -- sorry -- of rum	12:08:04	25	right?	12:11:05
319			321		
1	excise taxes were supposed to flow through?	12:08:10	1	MS. McKEEN: Objection.	12:11:08
2	A. I understand how the Funds did	12:08:17	2	UNIDENTIFIED SPEAKER: Objection.	12:11:11
3	flow. I'm happy to answer any questions about	12:08:22	3	THE WITNESS: I'm not certain what	12:11:15
4	factual information that actually did happen	12:08:24	4	you mean.	12:11:16
5	with respect to the Flow of Funds.	12:08:27	5	MS. MILLER: I don't understand	12:11:17
6	Q. Okay. Are you familiar with a	12:08:28	6	the objection.	12:11:18
7	Fund called the Sinking Fund?	12:08:31	7	BY MS. MILLER:	12:11:19
8	A. Can you be more specific?	12:08:43	8	Q. The General Fund -- does the	12:11:19
9	Q. Yeah, we can turn to page 34 of	12:08:45	9	General Fund have multiple bank accounts?	12:11:22
10	the document, which is Article IV, Section 401	12:08:54	10	A. I don't think about Funds having	12:11:26
11	of the trust agreement.	12:09:00	11	bank accounts.	12:11:28
12	Actually, let me ask you one other	12:09:05	12	Q. Why not?	12:11:30
13	thing before we get there. We spoke yesterday	12:09:07	13	A. Because Fund numbers are used to	12:11:31
14	or Tuesday and then this morning about how the	12:09:10	14	record earned revenue and -- and don't -- don't	12:11:46
15	TSA or the operational account of the	12:09:12	15	have anything to do with a cash balance, a	12:11:52
16	Commonwealth has within it revenues from	12:09:15	16	discrete cash balance in the TSA.	12:11:54
17	multiple Funds, correct?	12:09:19	17	Q. Okay. Well, can the General Fund	12:11:56
18	A. It has within it cash receipts	12:09:25	18	have separate accounting accounts, not bank	12:11:58
19	from revenue recorded.	12:09:31	19	accounts, but just accounts that are used for	12:12:01
20	Q. From multiple Funds, right?	12:09:32	20	accounting purposes, internal Commonwealth	12:12:04
21	A. What?	12:09:37	21	account numbers?	12:12:06
22	Q. Obviously had cash receipts from	12:09:42	22	MS. McKEEN: Object to the form.	12:12:08
23	revenue recorded. My point was did it have	12:09:45	23	THE WITNESS: What do you mean by	12:12:16
24	cash receipts from revenue recorded in multiple	12:09:48	24	"account numbers"?	12:12:17
25	different Funds?	12:09:53	25		

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1	BY MS. MILLER:	12:12:17	1	Q. What did you say?	12:15:02
2	Q. Does the Commonwealth have any	12:12:21	2	A. That I don't think about the	12:15:04
3	internal account numbers that it uses when	12:12:22	3	General Fund as having a balance.	12:15:05
4	moneys are received?	12:12:27	4	Q. So how does that differ from what	12:15:09
5	MS. McKEEN: Objection.	12:12:31	5	I said you said?	12:15:11
6	THE WITNESS: The way you're using	12:12:36	6	MS. McKEEN: Objection.	12:15:12
7	"account" is pretty broad.	12:12:38	7	BY MS. MILLER:	12:15:18
8	BY MS. MILLER:	12:12:42	8	Q. I'm just looking for an answer?	12:15:18
9	Q. I'm asking within the	12:12:42	9	A. If the court reporter wants to	12:15:19
10	Commonwealth's internal accounting, does it use	12:12:47	10	repeat back what is said, sure.	12:15:20
11	account numbers to identify different moneys	12:12:54	11	Q. Okay. I don't want the court	12:15:22
12	within a particular Fund?	12:12:57	12	reporter to repeat back what I said. I'd like	12:15:24
13	MS. McKEEN: Objection.	12:13:06	13	you to look at Section 401 on Monolines	12:15:27
14	THE WITNESS: Revenue account	12:13:19	14	Exhibit 22. So I understand that you said that	12:15:29
15	number -- revenue account number, which would	12:13:22	15	bank accounts within Funds made no sense. I'd	12:15:36
16	then be PRIFA systems referred to as a CFRA	12:13:24	16	like you to look at the section Funds and	12:15:40
17	code. It is possible that one Fund number	12:13:29	17	Accounts.	12:15:43
18	could be attached to a string of data. That	12:13:33	18	Do you see that?	12:15:43
19	string of data would have a -- it could have	12:13:36	19	MS. McKEEN: Object.	12:15:44
20	one Fund number, you could have more than one	12:13:38	20	BY MS. MILLER:	12:15:44
21	different account number, but that's referring	12:13:42	21	Q. Do you see that, Article IV titled	12:15:45
22	to the CFRA account code, the revenue account	12:13:44	22	Funds and Accounts?	12:15:49
23	code within the PRIFA system.	12:13:48	23	A. I see Article IV where it says	12:15:49
24	BY MS. MILLER:	12:13:54	24	Funds and Accounts.	12:15:52
25	Q. Okay. And does the General Fund	12:13:54	25	Q. Okay. And do you have an	12:15:54

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1	have a balance?	12:13:57	1	understanding of what the difference is between	12:15:55
2	A. I don't think of a General Fund as	12:13:58	2	a Fund and an account?	12:15:57
3	having a balance in terms of cash.	12:14:01	3	A. It depends on the context --	12:16:07
4	Q. Hmm. What about in terms -- what	12:14:05	4	Q. Okay. What about in this context?	12:16:09
5	about not in terms of cash?	12:14:06	5	A. Without reviewing this entire	12:16:18
6	A. I don't think about the General	12:14:09	6	section, I'm not sure I could summarize --	12:16:20
7	Fund having balance.	12:14:15	7	(Simultaneous speaking.)	12:16:24
8	Q. Does the General Fund have a	12:14:15	8	A. -- conjecture.	12:16:24
9	balance for accounting purposes?	12:14:17	9	Q. Okay. So let's look at	12:16:24
10	A. Not BCB, no note if they have	12:14:22	10	Section 401. Section 401 is titled Banking	12:16:27
11	balance for accounting purposes or not, but I	12:14:26	11	Funds and Accounts.	12:16:33
12	don't think about Funds in terms of cash	12:14:28	12	Do you see that?	12:16:35
13	balances.	12:14:32	13	A. Yes.	12:16:35
14	Q. You've taken five postsecondary	12:14:33	14	Q. And it says:	12:16:36
15	accounting classes. So I understand you're not	12:14:37	15	A Special Fund is hereby created	12:16:37
16	a Certified Public Accountant, but I think you	12:14:40	16	and designated Puerto Rico Infrastructure	12:16:39
17	can still answer my question. And your answer	12:14:43	17	Financing Authority Special Tax Revenue Bond	12:16:41
18	was no, is that right, the General Fund does	12:14:46	18	Sinking Fund, hereinafter -- herein sometimes	12:16:45
19	not have a balance -- it is your testimony that	12:14:51	19	called the Sinking Fund, to be held by the	12:16:47
20	the General Fund does not have a balance for	12:14:54	20	trustee.	12:16:50
21	accounting purposes?	12:14:56	21	Do you see that?	12:16:51
22	MS. McKEEN: Objection.	12:14:57	22	A. Yes.	12:16:51
23	THE WITNESS: That's not what I	12:14:58	23	Q. And then it says:	12:16:52
24	said.	12:14:59	24	There are hereby created three	12:16:54
25	BY MS. MILLER:	12:15:02	25	separate accounts in the Sinking Fund	12:16:57

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<p style="text-align: right;">326</p> <p>1 designated Bond Service Account, Redemption 12:16:59 2 Account, and Reserve Account. 12:17:03 3 Do you see that? 12:17:06 4 A. Yes. 12:17:06 5 Q. So now let me ask again. Do you 12:17:07 6 understand that a Fund can have multiple bank 12:17:09 7 accounts associated with it? 12:17:17 8 MS. McKEEN: Objections. 12:17:17 9 THE WITNESS: I understand that in 12:17:19 10 the context of this document, that the Sinking 12:17:20 11 Fund that it mentions does appear to have 12:17:23 12 multiple accounts. 12:17:27 13 BY MS. MILLER: 12:17:29 14 Q. And you had never heard of that 12:17:29 15 concept before, a Fund having multiple bank 12:17:33 16 accounts associated with it; is that right? 12:17:36 17 MS. McKEEN: Objection, 12:17:37 18 mischaracterizes testimony. 12:17:38 19 THE WITNESS: That's not what I 12:17:42 20 said. 12:17:43 21 BY MS. MILLER: 12:17:43 22 Q. Okay. Have you ever encountered 12:17:45 23 this concept of a Fund having multiple bank 12:17:47 24 accounts associated with it previously? 12:17:49 25 A. No, because the nature of my work 12:18:03</p>	<p style="text-align: right;">328</p> <p>1 in which I would have encountered the word or 12:19:38 2 concept of Fund. 12:19:40 3 BY MS. MILLER: 12:19:40 4 Q. So what other contexts have you 12:19:43 5 encountered it in? 12:19:45 6 A. It's hard to say because people 12:19:49 7 use the term "Fund" very loosely. 12:19:52 8 Q. Okay. In preparing the Flow of 12:19:57 9 Funds, did you ask for any documents that 12:20:03 10 mapped particular bank account numbers to 12:20:07 11 accounts or Funds identified in the relevant 12:20:12 12 bond documents for the trust agreement in the 12:20:15 13 Enabling Act that we just looked at? 12:20:19 14 MS. McKEEN: Objection to the form 12:20:29 15 of the question. 12:20:31 16 THE WITNESS: Would you repeat the 12:20:37 17 question? 12:20:38 18 BY MS. MILLER: 12:20:38 19 Q. Yes. In preparing the Flow of 12:20:40 20 Funds, did you ask whether there were any 12:20:42 21 documents that mapped particular bank account 12:20:44 22 numbers to accounts or Funds identified in the 12:20:46 23 relevant bond document within the trust 12:20:48 24 agreement and the Enabling Act that we just 12:20:54 25 looked at? 12:20:55</p>
<p style="text-align: right;">327</p> <p>1 with -- with Funds is a little different than 12:18:04 2 what they're calling a Fund in this document. 12:18:11 3 Q. Okay. In what way? 12:18:14 4 A. Because when I think of Funds, I 12:18:22 5 think of the Fund number identifiers within the 12:18:25 6 PRIFA system. 12:18:29 7 Q. Okay. That's the only time you've 12:18:39 8 ever encountered the concept of a Fund with 12:18:43 9 respect to Puerto Rico and -- with respect to 12:18:46 10 Puerto Rico and the instrumentalities which are 12:18:48 11 designated as the 30(b)(6) to testify today? 12:18:52 12 MS. McKEEN: Objection. 12:18:55 13 THE WITNESS: I don't know. What 12:19:03 14 was the question there? 12:19:04 15 BY MS. MILLER: 12:19:07 16 Q. The question was that the Fund 12:19:07 17 designation within the PRIFA system is the only 12:19:10 18 time that you've encountered the concept of a 12:19:13 19 Fund with respect to Puerto Rico and the 12:19:15 20 instrumentalities with which you were 12:19:18 21 designated to teach as the 30(b)(6) to testify 12:19:22 22 today? 12:19:25 23 MS. McKEEN: Objection. 12:19:26 24 THE WITNESS: The concept of Funds 12:19:26 25 is very broad, so that's not the only context 12:19:27</p>	<p style="text-align: right;">329</p> <p>1 MS. McKEEN: Objection. 12:20:56 2 THE WITNESS: No. 12:21:07 3 BY MS. MILLER: 12:21:07 4 Q. Why not? 12:21:08 5 A. I felt comfortable with the work 12:21:20 6 that I did to satisfy myself that the Flow of 12:21:22 7 Funds presentations that we submitted were 12:21:26 8 correct and accurate. 12:21:30 9 BY MS. MILLER: 12:21:32 10 Q. Do you know whether there are any 12:21:32 11 internal Commonwealth documents that map 12:21:34 12 specific bank accounts to the Funds and 12:21:38 13 accounts identified in the bond documents? 12:21:40 14 A. Is that a question? 12:21:46 15 Q. Yeah. 12:21:49 16 A. It didn't sound like it. Would 12:21:55 17 you repeat it in a way that sounds like a 12:21:58 18 question? 12:22:00 19 Q. Okay. Do you know whether there 12:22:00 20 are any internal Commonwealth documents that 12:22:02 21 map specific bank accounts to the Funds and 12:22:04 22 accounts identified in the bond documents? 12:22:05 23 A. I've seen no evidence of that. 12:22:15 24 Q. Okay. Where did you look for 12:22:24 25 that, or let me ask before that. 12:22:27</p>

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<p style="text-align: right;">330</p> <p>1 You didn't ask anybody for it. So 12:22:30</p> <p>2 did you independently look for such a document? 12:22:33</p> <p>3 A. No. 12:22:40</p> <p>4 Q. What's the basis for your 12:22:43</p> <p>5 testimony that you don't believe there is any? 12:22:45</p> <p>6 MS. McKEEN: Objection, misstates 12:22:48</p> <p>7 testimony. 12:22:50</p> <p>8 THE WITNESS: After discussions 12:22:52</p> <p>9 with Treasury and PRIFA, I saw no evidence of 12:22:58</p> <p>10 that. 12:23:04</p> <p>11 BY MS. MILLER: 12:23:04</p> <p>12 Q. What were the nature of those 12:23:09</p> <p>13 discussions? 12:23:12</p> <p>14 A. The nature of those discussions 12:23:15</p> <p>15 were preparation for this deposition. 12:23:23</p> <p>16 Q. Okay. So you're assuming that if 12:23:27</p> <p>17 they had a document mapping particular Funds or 12:23:29</p> <p>18 accounts, they would have mentioned it in the 12:23:33</p> <p>19 course of the conversations even though you 12:23:35</p> <p>20 didn't ask for it? 12:23:37</p> <p>21 MS. McKEEN: Objection. 12:23:39</p> <p>22 THE WITNESS: That would have 12:23:50</p> <p>23 been -- I believe I would have been aware 12:23:52</p> <p>24 of -- of any evidence to the contrary. 12:23:59</p> <p>25</p>	<p style="text-align: right;">332</p> <p>1 refer to the first \$117 million of rum revenues 12:25:46</p> <p>2 in the TSA? 12:25:50</p> <p>3 A. No, I think it generally refers to 12:25:59</p> <p>4 the first 117 million of rum revenues earned. 12:26:01</p> <p>5 Q. Regardless of where they were? 12:26:04</p> <p>6 A. I'm speaking generally about the 12:26:14</p> <p>7 concepts of the Infrastructure Fund as 12:26:16</p> <p>8 understood by relevant individuals. 12:26:20</p> <p>9 Q. Okay. And so the common 12:26:24</p> <p>10 understanding of that term is that the first 12:26:26</p> <p>11 \$117 million of rum excise taxes are in the 12:26:30</p> <p>12 Puerto Rico Infrastructure Fund? 12:26:36</p> <p>13 MS. McKEEN: Objection. 12:26:44</p> <p>14 THE WITNESS: No. 12:26:44</p> <p>15 BY MS. MILLER: 12:26:44</p> <p>16 Q. Well, tell me again how you 12:26:47</p> <p>17 understand it, how that term is generally 12:26:48</p> <p>18 understood within the Commonwealth? 12:26:50</p> <p>19 A. Generally understood as the first 12:26:53</p> <p>20 117 million of rum revenues in each fiscal 12:26:58</p> <p>21 year. 12:27:07</p> <p>22 Q. Okay. 12:27:07</p> <p>23 THE WITNESS: How does anybody 12:27:15</p> <p>24 feel about a break here, maybe breaking for 12:27:16</p> <p>25 lunch? 12:27:18</p>
<p style="text-align: right;">331</p> <p>1 BY MS. MILLER: 12:23:59</p> <p>2 Q. How would you have been aware of 12:24:03</p> <p>3 it? 12:24:05</p> <p>4 A. Again, through discussions with 12:24:05</p> <p>5 the team mentioned. 12:24:15</p> <p>6 Q. Okay. And your counsel 12:24:17</p> <p>7 represented that the term "Puerto Rico 12:24:21</p> <p>8 Infrastructure Fund" is not understood to refer 12:24:25</p> <p>9 to a specific bank account or accounts or 12:24:27</p> <p>10 accounting designations. Are you aware of that 12:24:30</p> <p>11 representation? 12:24:37</p> <p>12 A. Yes. 12:24:37</p> <p>13 Q. And do you believe it to be true? 12:24:37</p> <p>14 A. Yes. 12:24:44</p> <p>15 Q. How was that term understood? 12:24:54</p> <p>16 A. What term? 12:24:57</p> <p>17 Q. The Puerto Rico Infrastructure 12:24:58</p> <p>18 Fund. 12:25:00</p> <p>19 A. It's understood to generally refer 12:25:07</p> <p>20 to the first 117 million of rum Funds, rum 12:25:10</p> <p>21 revenues. 12:25:25</p> <p>22 Q. Held in the TSA? 12:25:37</p> <p>23 A. Would you mind phrasing that as a 12:25:39</p> <p>24 complete question? 12:25:44</p> <p>25 Q. Is it understood to generally 12:25:45</p>	<p style="text-align: right;">333</p> <p>1 MS. McKEEN: I think it's fine for 12:27:23</p> <p>2 us to take a break if Atara is close to a 12:27:24</p> <p>3 stopping place. 12:27:28</p> <p>4 MS. MILLER: Okay. I'm okay 12:27:34</p> <p>5 taking a break. Can we keep it short, like can 12:27:35</p> <p>6 we come back at 2 o'clock, 1 o'clock Central, 12:27:38</p> <p>7 does that work? 33 minutes, 32 minutes? 12:27:42</p> <p>8 MS. McKEEN: Tim, is that okay 12:27:45</p> <p>9 with you? 12:27:47</p> <p>10 THE WITNESS: Okay. 12:27:48</p> <p>11 MS. MILLER: Okay. 12:27:49</p> <p>12 MS. McKEEN: Fine for us, Atara. 12:27:50</p> <p>13 MS. MILLER: All right. Great, 12:27:52</p> <p>14 thank you. 12:27:53</p> <p>15 THE VIDEOGRAPHER: We are off the 12:27:53</p> <p>16 record at 12:28 p.m. 12:27:54</p> <p>17 (Recess taken.) 12:27:56</p> <p>18 AFTERNOON SESSION 12:59:27</p> <p>19 THE VIDEOGRAPHER: We are back on 01:03:44</p> <p>20 the record at 1:04 p.m. 01:04:23</p> <p>21 BY MS. MILLER: 01:04:23</p> <p>22 Q. Good afternoon, Mr. Ahlberg, 01:04:29</p> <p>23 welcome back. 01:04:31</p> <p>24 Do you understand moneys as being 01:04:32</p> <p>25 deposited into the Infrastructure Fund? 01:04:36</p>

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<p style="text-align: right;">334</p> <p>1 THE VIDEOGRAPHER: Counsel, excuse 01:04:47 2 me, I'm sorry. Before he answers, can we just 01:04:50 3 pause real slightly? I need to resize the 01:04:52 4 screen here and then we can reask the question. 01:04:53 5 I am so sorry. 01:04:56 6 MS. MILLER: That's okay. Okay. 01:04:58 7 BY MS. MILLER: 01:04:58 8 Q. Do you understand moneys as being 01:05:13 9 deposited into the Infrastructure Fund? 01:05:14 10 A. Yes. 01:05:23 11 Q. Do you understand the 01:05:24 12 Infrastructure Fund as being a Fund held by 01:05:25 13 PRIFA? 01:05:29 14 MS. McKEEN: Objection. 01:05:33 15 THE WITNESS: I don't think the 01:05:38 16 Infrastructure Funds as being something held by 01:05:39 17 anyone at all. 01:05:57 18 THE REPORTER: I'm sorry, 01:05:57 19 Mr. Witness, can you repeat your answer and 01:05:58 20 move your phone a little bit closer? Thanks. 01:06:03 21 THE WITNESS: Is this better? 01:06:05 22 THE REPORTER: It is. Thank you. 01:06:08 23 THE WITNESS: Okay. I don't 01:06:10 24 remember the specific answer that I just gave. 01:06:12 25 MS. MILLER: I think for the court 01:06:14</p>	<p style="text-align: right;">336</p> <p>1 documented rotated? 01:07:45 2 MS. MILLER: Sorry. Say that 01:07:45 3 again, Liz. 01:07:47 4 MS. McKEEN: I was just asking to 01:07:48 5 have the document rotated, and it has been. So 01:07:49 6 I appreciate that. 01:07:51 7 THE WITNESS: Okay. Now that we 01:08:08 8 have the document right side up, would you 01:08:09 9 please repeat the question? 01:08:12 10 BY MS. MILLER: 01:08:12 11 Q. Sure. My question was just 01:08:15 12 whether this is a document that you've seen 01:08:16 13 before. 01:08:18 14 A. Yes. 01:08:22 15 Q. Is this a document that you saw in 01:08:23 16 connection with preparation for your testimony 01:08:28 17 today? 01:08:29 18 A. Yes. 01:08:35 19 Q. Is this a document that you had 01:08:36 20 seen before your testimony? 01:08:37 21 A. No. 01:08:41 22 UNIDENTIFIED SPEAKER: Objection. 01:08:43 23 BY MS. MILLER: 01:08:43 24 Q. So you weren't involved in 01:08:45 25 preparing the Flow of Funds, were you? 01:08:49</p>
<p style="text-align: right;">335</p> <p>1 reporter the answer was: 01:06:16 2 I don't think about the 01:06:18 3 Infrastructure Fund as being held by anybody. 01:06:21 4 Is that correct, Mr. Ahlberg? 01:06:22 5 THE WITNESS: That is correct. 01:06:24 6 Thank you. 01:06:25 7 MS. MILLER: I'm going to mark a 01:06:30 8 document as Exhibit -- Monolines Exhibit 23, 01:06:32 9 tab 1510, please. 01:06:36 10 (Monolines Exhibit 23 is 01:06:36 11 introduced for the record.) 01:06:54 12 BY MS. MILLER: 01:06:54 13 Q. And while it's loading, I will 01:06:54 14 describe the document that you'll see on your 01:06:57 15 screen in a minute as Exhibit A to the 01:06:59 16 Supplemental Opposition of the Commonwealth of 01:07:02 17 Puerto Rico to Amended PRIFA Bondholder Motion 01:07:05 18 to Lift the Automatic Stay. And it's titled 01:07:09 19 Flow of Rum Taxes. Do you see that? 01:07:14 20 A. I see that. 01:07:17 21 Q. Okay. And if we could just look 01:07:19 22 at the next page. Is this a document that you 01:07:22 23 recognize? 01:07:31 24 A. Please allow me to rotate it. 01:07:37 25 MS. McKEEN: Could we have the 01:07:42</p>	<p style="text-align: right;">337</p> <p>1 A. I was not involved in preparing 01:08:52 2 this document. 01:08:53 3 Q. Okay. And so I just want to 01:08:57 4 direct your attention to the bottom half of the 01:09:01 5 page on the right-hand side. It identifies the 01:09:03 6 PRIFA Infrastructure Fund. Do you see that? 01:09:10 7 A. Where specifically? 01:09:20 8 Q. There's a red box between two 01:09:21 9 green boxes on the right-hand side. Do you see 01:09:23 10 that? 01:09:31 11 A. Yes, I see that, thank you. 01:09:31 12 Q. Okay. And in the red box, the 01:09:33 13 Flow of Funds is indicating money flowing from 01:09:36 14 the TSA to the Puerto Rico Infrastructure Fund. 01:09:38 15 Do you see that? Do you see that, 01:09:50 16 Mr. Ahlberg? 01:09:51 17 A. I see the green box there, where 01:09:51 18 it says: 01:09:53 19 The lockbox trustee (Citibank) 01:09:54 20 remits up to the first \$117 million of rum tax 01:09:57 21 remittances to the TSA where it is comingled 01:09:58 22 with other funds. 01:10:01 23 Q. Yes. So on top of that, there 01:10:03 24 seems to be blue writing that's identifying the 01:10:06 25 account, and that says TSA (held by 01:10:09</p>

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1	Commonwealth).	01:10:12	1	into a PRIFA bank account called the	01:12:56
2	Do you see that?	01:10:12	2	Infrastructure Fund?	01:12:58
3	A. I see that.	01:10:12	3	A. No.	01:13:03
4	Q. Okay. And then the flow is	01:10:19	4	MS. MILLER: Okay. So now I'd	01:13:13
5	indicating that moneys are moving from the TSA	01:10:20	5	like to mark as Monolines Exhibit 24 a letter	01:13:15
6	down into the PRIFA Infrastructure Fund which	01:10:24	6	from counsel dated March 21, 2020, which	01:13:28
7	is identified on this Flow of Funds as held by	01:10:27	7	attaches a Flow of Funds that I believe you did	01:13:33
8	PRIFA. Do you see that?	01:10:33	8	prepare for PRIFA.	01:13:40
9	A. I see the arrows that you are	01:10:41	9	(Monolines Exhibit 24 is	01:13:40
10	referring to.	01:10:43	10	introduced for the record.)	01:14:22
11	Q. Okay. And in that red box	01:10:47	11	MS. MILLER: Would you go back to	01:14:22
12	describing the PRIFA Infrastructure Fund, the	01:10:49	12	the first page of the exhibit and rotate the	01:14:24
13	Flow of Funds indicates that historically, the	01:10:53	13	exhibit, please?	01:14:26
14	Commonwealth appropriated 117 million and	01:10:57	14	BY MS. MILLER:	01:14:26
15	deposited such moneys into the PRIFA	01:10:59	15	Q. Okay. Do you recognize this	01:14:28
16	Infrastructure Fund for its "corporate	01:11:01	16	document?	01:14:30
17	purposes" and subject to Section 8, Article IV	01:11:03	17	A. Yes.	01:14:30
18	of the Puerto Rico Constitution.	01:11:06	18	Q. And did you prepare this document?	01:14:30
19	Do you see that?	01:11:08	19	A. Will you allow me to briefly look	01:14:38
20	A. I see where it says that on this	01:11:08	20	through the other pages?	01:14:45
21	document.	01:11:11	21	Q. Yes. Do you have the controls	01:14:47
22	Q. Okay. And based on all of the	01:11:11	22	that you need?	01:14:49
23	work that you've done in connection with	01:11:14	23	A. Yes, thank you.	01:14:51
24	putting together Flow of Funds documents, is	01:11:16	24	The answer to your question is	01:14:53
25	that consistent with your understanding of the	01:11:20	25	yes.	01:14:54

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1	PRIFA Flow of Funds?	01:11:23	1	Q. Okay. And what documents did you	01:14:55
2	MS. McKEEN: Object to form.	01:11:31	2	review in preparing these Flow of Funds?	01:15:00
3	THE WITNESS: I don't know. It's	01:11:32	3	A. Generally, we reviewed bank	01:15:07
4	not an exercise that we did to map this	01:11:34	4	statements and transfer letters or voucher	01:15:10
5	document to the Flow of Funds that I prepared.	01:11:37	5	information.	01:15:13
6	BY MS. MILLER:	01:11:37	6	Q. Okay. And I want to look at the	01:15:19
7	Q. I'm not asking you to map, though.	01:11:42	7	first slide on this, which is the rum taxes	01:15:23
8	I'm just asking you whether it is consistent	01:11:45	8	June '14 to June 2015. And I know yesterday --	01:15:26
9	with your -- everything that you know and all	01:11:47	9	or Tuesday, you had a discussion with	01:15:31
10	of the analysis that you did -- have done that	01:11:51	10	Mr. Natbony about the various colors used in	01:15:33
11	the moneys flowed from the TSA into a bank	01:11:56	11	the chart and what they mean, and I just want	01:15:37
12	account held by PRIFA called the Puerto Rico	01:12:01	12	to confirm with you that they have the same	01:15:39
13	Infrastructure Fund.	01:12:04	13	meaning in the PRIFA Flow of Funds as they did	01:15:42
14	A. Would you please repeat the	01:12:17	14	in the HTA Flow of Funds that you were asked	01:15:45
15	question?	01:12:18	15	about on Tuesday.	01:15:47
16	Q. Is it consistent, based on all of	01:12:22	16	A. Yes.	01:15:58
17	the work and analysis that you did putting	01:12:24	17	Q. Okay. And so to review, the gray	01:15:58
18	together the PRIFA Flow of Funds in this	01:12:27	18	box indicates a Commonwealth account; is that	01:16:00
19	matter, is it your understanding --	01:12:29	19	right?	01:16:06
20	A. I don't know. I did not analyze	01:12:33	20	A. Yes.	01:16:06
21	this document for consistency with the Flow of	01:12:42	21	Q. And what does the blue box	01:16:07
22	Funds documents that I prepared.	01:12:45	22	indicate?	01:16:09
23	Q. Okay. Is it your understanding,	01:12:46	23	A. In this -- in these cases, the	01:16:10
24	based on all of the work that you've done, that	01:12:49	24	blue boxes would indicate that PRIFA's name	01:16:14
25	money flowed historically from the TSA account	01:12:52	25	would be on the bank statements of those	01:16:19

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<p style="text-align: right;">342</p> <p>1 accounts. 01:16:21</p> <p>2 Q. Okay. And when you say PRIFA's 01:16:23</p> <p>3 name would be on it, do you mean as account 01:16:26</p> <p>4 holder? 01:16:28</p> <p>5 A. Yes. 01:16:34</p> <p>6 Q. Okay. And what does the yellow 01:16:36</p> <p>7 box indicate? 01:16:39</p> <p>8 A. Yellow box indicates an account 01:16:41</p> <p>9 that is not a Commonwealth or PRIFA account. 01:16:44</p> <p>10 Q. Okay. And I know it all starts 01:16:49</p> <p>11 with a curved edge with an orange box or peach 01:16:53</p> <p>12 box. I don't know what color that's supposed 01:16:58</p> <p>13 to be. What does that indicate? 01:17:01</p> <p>14 A. That indicates the rum taxes. 01:17:06</p> <p>15 Q. And it's just the taxes 01:17:13</p> <p>16 themselves? 01:17:15</p> <p>17 A. Yeah, yes. 01:17:18</p> <p>18 Q. And when generated before they 01:17:21</p> <p>19 flow into a Commonwealth -- any Commonwealth or 01:17:26</p> <p>20 Commonwealth instrumentality account; is that 01:17:29</p> <p>21 right? 01:17:33</p> <p>22 A. Correct, as in when funds are 01:17:33</p> <p>23 collected in bonded warehouses. 01:17:35</p> <p>24 Q. All right. I missed the end, 01:17:38</p> <p>25 "collected in bonded warehouses"? 01:17:40</p>	<p style="text-align: right;">344</p> <p>1 account. 01:19:12</p> <p>2 Q. And what money specifically is 01:19:17</p> <p>3 this Flow of Funds tracking? 01:19:24</p> <p>4 A. This Flow of Funds is tracking the 01:19:26</p> <p>5 first 117 million of rum revenues in this time 01:19:32</p> <p>6 period, within this time period. 01:19:39</p> <p>7 Q. Okay. I'm going to ask a basic 01:19:41</p> <p>8 question. I hope you can help me with it. 01:19:45</p> <p>9 How were you able to determine 01:19:49</p> <p>10 when the moneys flowed from the 006 account to 01:19:52</p> <p>11 the GDB 1891 account if those were part of this 01:19:55</p> <p>12 \$117 million of rum taxes? 01:20:05</p> <p>13 A. By reviewing either transfer 01:20:11</p> <p>14 letter or voucher information that would have 01:20:14</p> <p>15 indicated a source of funds for that transfer. 01:20:17</p> <p>16 Q. Can you explain to me a little bit 01:20:24</p> <p>17 more what you mean? 01:20:28</p> <p>18 A. In review of transfer letters or 01:20:29</p> <p>19 vouchers that correspond with a transfer from 01:20:37</p> <p>20 GDB account 0006 to GDB account 1891, there 01:20:42</p> <p>21 would be an indication that the source of 01:20:48</p> <p>22 revenue for that cash transfer was in fact 01:20:51</p> <p>23 rum -- rum proceeds. 01:20:57</p> <p>24 Q. So meaning if there was a letter 01:21:02</p> <p>25 from Treasury saying send 35 million -- or 01:21:04</p>
<p style="text-align: right;">343</p> <p>1 A. I think that's the -- the term 01:17:46</p> <p>2 that's used by U.S. Treasury. Maybe I don't 01:17:47</p> <p>3 recall that term specifically. 01:17:51</p> <p>4 Q. Okay. Can you just -- it's not a 01:17:53</p> <p>5 term I'm familiar with. Can you just tell me 01:17:55</p> <p>6 what that means? 01:17:58</p> <p>7 A. Just in general, meaning that U.S. 01:18:00</p> <p>8 Treasury or U.S. Treasury collects these taxes 01:18:03</p> <p>9 at different -- at different points of 01:18:07</p> <p>10 collection. 01:18:13</p> <p>11 Q. All right. And then they all flow 01:18:14</p> <p>12 into, at this time, January '14 to June '15, 01:18:18</p> <p>13 into the 006 account; is that right? 01:18:22</p> <p>14 A. Correct. 01:18:26</p> <p>15 Q. Okay. And then certain 01:18:28</p> <p>16 accounts -- of these accounts have yellow stars 01:18:31</p> <p>17 on them. And is that, as you testified on 01:18:35</p> <p>18 Tuesday, to denote accounts that have comingled 01:18:41</p> <p>19 funds? 01:18:49</p> <p>20 A. Correct. 01:18:49</p> <p>21 Q. And what do you mean by "comingled 01:18:50</p> <p>22 funds"? 01:18:55</p> <p>23 A. On this specific slide, the 01:18:55</p> <p>24 comingling designation would represent that 01:18:57</p> <p>25 revenues besides rum taxes are received into an 01:19:05</p>	<p style="text-align: right;">345</p> <p>1 \$23 million from the 006 account to the 1891 01:21:09</p> <p>2 account as the first transfer of rum excise 01:21:12</p> <p>3 taxes, that was evidence to you that if you saw 01:21:17</p> <p>4 that \$23 million transfer into 1891, that that 01:21:19</p> <p>5 was in fact from the rum excise taxes. Is that 01:21:25</p> <p>6 your testimony? 01:21:30</p> <p>7 A. Right. That hypothetical 01:21:34</p> <p>8 \$23 million transfer would have accompanying 01:21:37</p> <p>9 transfer letter or voucher detail that would 01:21:41</p> <p>10 indicate the source of funds for that transfer 01:21:43</p> <p>11 being rum revenues. 01:21:46</p> <p>12 Q. Okay. And are the transfer 01:21:47</p> <p>13 letters and vouchers maintained as part of the 01:21:49</p> <p>14 Commonwealth accounting documents? 01:21:56</p> <p>15 MS. McKEEN: Object. 01:21:59</p> <p>16 THE WITNESS: The Commonwealth 01:22:05</p> <p>17 maintains and -- maintains historical records 01:22:07</p> <p>18 of vouchers or transfers, if that's what you 01:22:11</p> <p>19 meant. 01:22:14</p> <p>20 BY MS. MILLER: 01:22:14</p> <p>21 Q. Okay. And can you tell me 01:22:15</p> <p>22 specifically what in a voucher would identify 01:22:16</p> <p>23 the source of funds? 01:22:19</p> <p>24 A. I don't recall specifically 01:22:34</p> <p>25 without looking at an individual voucher. 01:22:34</p>

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<p style="text-align: right;">346</p> <p>1 Q. Okay. And so you don't recall 01:22:37 2 specifically any particular notation account 01:22:39 3 number or other designation on a transfer 01:22:45 4 voucher that would indicate that revenues are 01:22:47 5 from the first \$117 million of rum excise 01:22:50 6 taxes; is that right? 01:22:55 7 MS. McKEEN: Objection. 01:22:57 8 BY MS. MILLER: 01:22:59 9 Q. Let me just ask it straight up: 01:22:59 10 Do you recall any specific 01:23:01 11 notation or account number on the transfer 01:23:02 12 voucher that would indicate that the revenues 01:23:06 13 are from the first \$117 million of rum excise 01:23:09 14 taxes? 01:23:12 15 MS. McKEEN: Objection. 01:23:15 16 THE WITNESS: There is a -- excuse 01:23:16 17 me. There is a revenue code, revenue SFRA 01:23:19 18 account code that is used when recording the 01:23:25 19 revenues from rum proceeds. 01:23:29 20 BY MS. MILLER: 01:23:31 21 Q. And what is that revenue code? 01:23:31 22 A. I can't recall specifically off 01:23:38 23 the top of my head. I think it's R2220, but I 01:23:40 24 would be able to know it if we looked at a 01:23:44 25 voucher together to verify. 01:23:48</p>	<p style="text-align: right;">348</p> <p>1 query, I don't think of that query as spitting 01:25:27 2 out the voucher, factual voucher that 01:25:31 3 corresponds with each of those transactions. 01:25:37 4 Vouchers are recorded within the system, and 01:25:41 5 you can go in and pull vouchers. 01:25:44 6 Q. Well, would it -- what would the 01:25:50 7 output be of that query in the PRIFA system? 01:25:53 8 A. You could run a report within the 01:26:03 9 PRIFA system that would show all revenue earned 01:26:05 10 during a discrete time period of your choosing 01:26:11 11 under any revenue account code, but specific to 01:26:14 12 this case for Revenue Code 4220, I believe it 01:26:17 13 wasn't. 01:26:25 14 Q. And how long would it take to run 01:26:25 15 such a query and get the report? 01:26:27 16 A. I am not certain exactly how long 01:26:36 17 it takes to process a query like that, but I 01:26:37 18 would imagine that would be something that 01:26:41 19 could be accomplished in a day. 01:26:44 20 Q. Do you know whether queries can be 01:26:48 21 run in the PRIFA system remotely or whether you 01:26:50 22 need to specifically be within the Treasury 01:26:57 23 offices to run them? 01:26:59 24 A. I'm not positive. I think there 01:27:02 25 are DCMs that exist for people to run queries 01:27:08</p>
<p style="text-align: right;">347</p> <p>1 Q. Okay. Well, that's -- does R4220 01:23:49 2 sound familiar? 01:23:54 3 A. It sounds familiar, but without 01:23:59 4 looking at the voucher to confirm, I am not 01:24:00 5 100 percent positive. 01:24:03 6 Q. Okay. Would the voucher tell you 01:24:04 7 specifically that it's rum taxes, or would it 01:24:05 8 just have that account code on it? 01:24:08 9 A. It will have the -- a voucher 01:24:09 10 would have that account code, and the voucher 01:24:21 11 may or may not reference rum on the voucher 01:24:24 12 apart from just a revenue code. 01:24:29 13 Q. And would you be able to go into 01:24:33 14 the PRIFA system and pull all vouchers within 01:24:35 15 R4220 revenue there? 01:24:40 16 A. I'm not positive. We would have 01:24:57 17 to follow up on that and get back to you. 01:25:01 18 Q. So you don't know if the revenue 01:25:04 19 code is a query that you can run within the 01:25:06 20 system? 01:25:08 21 A. I know for a fact that you can run 01:25:09 22 a query within the PRIFA system and the 01:25:13 23 parameters of which Revenue Code 4220 could be 01:25:16 24 one of those parameters. But when I think 01:25:20 25 about programming that query and running that 01:25:24</p>	<p style="text-align: right;">349</p> <p>1 if they're not physically there, but I would 01:27:10 2 have to double-check on that and let you know 01:27:13 3 for certain. 01:27:16 4 Q. Have you personally ever accessed 01:27:17 5 the PRIFA system and run a query on anything 01:27:19 6 remotely? 01:27:21 7 A. No. 01:27:25 8 Q. Okay. Do you know whether the 01:27:29 9 R4220 revenue code continues to attach to rum 01:27:30 10 taxes that are collected today? 01:27:39 11 A. I believe that that revenue 01:27:49 12 account code is still used to record rum 01:27:51 13 revenues that are earned. 01:27:53 14 Q. Okay. And this chart, which is 01:28:18 15 part of Monolines Exhibit 24, indicates four 01:28:21 16 dotted arrow lines going from the 006 account 01:28:27 17 to a GDB 0704 account. Do you see that? 01:28:30 18 A. Yes. 01:28:37 19 Q. Do you know what the GDB 0704 01:28:37 20 account is? 01:28:42 21 A. An operational account at PRIFA. 01:28:48 22 Q. And the dotted arrow is footnoted 01:28:55 23 to mean that it's a discrete one-time transfer. 01:29:02 24 Do you see that? 01:29:05 25 A. I do see that. 01:29:05</p>

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1	Q. Is that a designation that you put	01:29:06	1	purposes of PRIFA, which is different than the	01:33:08
2	on that?	01:29:09	2	transfers to GDB 1891, which end up flowing to	01:33:13
3	A. Yes.	01:29:14	3	a US Bank.	01:33:18
4	Q. Sorry. Is that a designation that	01:29:15	4	Q. And what's the difference?	01:33:21
5	you attributed to those transfers?	01:29:17	5	A. Those four million dollar -- those	01:33:25
6	A. Yes.	01:29:19	6	four \$1 million transfers were transferred to	01:33:30
7	Q. What do you mean by a discrete	01:29:19	7	PRIFA for operational purposes.	01:33:36
8	one-time transfer?	01:29:30	8	Q. Okay. And is the flow from 006 to	01:33:42
9	A. I mean a one-time transfer. In	01:29:41	9	1891 not indicated by a broken arrow because	01:33:46
10	this case, there were four one-time transfers	01:29:45	10	those transfers were subject to legislation or	01:33:54
11	for the exact same amount.	01:29:48	11	some other obligation to transfer those moneys?	01:34:00
12	Q. How does that differ from the	01:29:49	12	MS. McKEEN: Objection.	01:34:06
13	transfers between, for example, the 006 account	01:29:51	13	THE WITNESS: I did not consider	01:34:09
14	and the 1891 account?	01:29:55	14	legislation or allegations when determining	01:34:11
15	A. I believe there are just more	01:30:08	15	whether to use a dotted line or a bold,	01:34:14
16	than -- more -- more transfers and then in	01:30:11	16	nondotted line.	01:34:20
17	differing amounts.	01:30:13	17	BY MS. MILLER:	01:34:21
18	Q. Do you know how many transfers of	01:30:22	18	Q. Did you consider whether there was	01:34:21
19	rum taxes there were annually from the 006	01:30:23	19	a standing direction to transfer the money?	01:34:23
20	account to the 1891 account?	01:30:28	20	A. That would not have been something	01:34:34
21	A. I don't know off the top of my	01:30:40	21	I considered when determining whether to use a	01:34:36
22	head how many transfers there were from 0006 to	01:30:43	22	dotted line or not.	01:34:38
23	1891.	01:30:49	23	Q. Okay. So what did you consider in	01:34:39
24	Q. And if there had only been four,	01:30:49	24	determining whether to use a dotted line or	01:34:42
25	you would have designated them by dotted arrow	01:30:50	25	not?	01:34:44
351			353		
1	line?	01:30:52	1	A. As mentioned, those dotted lines	01:34:46
2	I'm trying to understand. Is the	01:30:59	2	represent \$1 million transfers to PRIFA's	01:34:49
3	number of transfers the only thing that is	01:31:01	3	operational account for operation purposes,	01:34:53
4	different between the dotted arrow transfers	01:31:03	4	which is different than the transfers to	01:34:56
5	and the solid arrow transfer?	01:31:05	5	Account 1891, which are not used for	01:34:58
6	A. Okay. Would you mind repeating	01:31:23	6	operational purposes during this time period	01:35:00
7	the question, please?	01:31:25	7	into a US Bank.	01:35:05
8	Q. If there had been only four	01:31:28	8	Q. Do the dotted lines mean used for	01:35:05
9	transfers of rum taxes from the 006 account to	01:31:30	9	operational purposes and in light of the fact	01:35:08
10	the 1891 account, would you have designated	01:31:35	10	they're footnoted?	01:35:13
11	them on this Flow of Funds with dotted arrows?	01:31:37	11	A. The dotted lines are a discrete	01:35:15
12	A. No. The dotted arrows and the use	01:32:00	12	one-time transfer, and then just for added	01:35:19
13	of those four -- the four \$1 million transfers	01:32:12	13	clarification, I've explained to you that those	01:35:22
14	from GDB 0006 to 0704 was done with the reader	01:32:18	14	represent operational transfers.	01:35:27
15	of this presentation in mind just to make	01:32:25	15	Q. How does a discrete one-time	01:35:28
16	things as understandable as possible.	01:32:27	16	transfer differ from the transfers from 006 to	01:35:30
17	Q. Okay. Given that it's confusing	01:32:32	17	1891?	01:35:34
18	me, I'm asking for a little bit of	01:32:34	18	A. Discrete one-time transfers were	01:35:45
19	clarification.	01:32:36	19	transferred for operational purposes to PRIFA's	01:35:48
20	So the -- I'm trying to	01:32:38	20	operational account.	01:35:51
21	understand. Does the dotted line distinguish	01:32:44	21	Q. Okay. I'm going to just move on	01:35:58
22	between the nature of the transfer from box to	01:32:50	22	because I'm not getting an answer, but I still	01:36:00
23	box?	01:32:55	23	don't understand it. So we may follow up with	01:36:02
24	A. The transfers from 0006 to 0704 do	01:32:58	24	a letter to get a more comprehensive answer and	01:36:08
25	represent discrete transfers for operational	01:33:06	25	explanation for what "discrete one-time	01:36:09

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<p style="text-align: right;">354</p> <p>1 transfer" means. 01:36:15</p> <p>2 Do you know whether those moneys 01:36:16</p> <p>3 that were transferred into the 0704 account 01:36:18</p> <p>4 were transferred out of that account? 01:36:21</p> <p>5 A. I do not know because once those 01:36:41</p> <p>6 transfers are within the PRIFA operational 01:36:43</p> <p>7 account, they are comingled and 01:36:47</p> <p>8 indistinguishable from other sources of 01:36:49</p> <p>9 revenue. 01:36:52</p> <p>10 Q. Okay. So if you had been able to 01:36:52</p> <p>11 distinguish and identify the \$4 million from 01:36:55</p> <p>12 the 0704 account based on transfer vouchers, 01:36:58</p> <p>13 transfer orders or other documents, you would 01:37:04</p> <p>14 have indicated the next step in the Flow of 01:37:08</p> <p>15 Funds for those moneys; is that right? 01:37:11</p> <p>16 MS. McKEEN: Objection. 01:37:15</p> <p>17 BY MS. MILLER: 01:37:19</p> <p>18 Q. Let me just ask it. 01:37:19</p> <p>19 If you had been able to 01:37:22</p> <p>20 distinguish and identify those \$4 million on 01:37:23</p> <p>21 the outflow side as coming from the rum tax 01:37:25</p> <p>22 revenues, would you have shown the next step in 01:37:27</p> <p>23 the Flow of Funds from the 0704 account? 01:37:31</p> <p>24 A. I'm assuming that those funds are 01:37:43</p> <p>25 comingled into Account 0704 and that you'd be 01:37:48</p>	<p style="text-align: right;">356</p> <p>1 A. Correct. 01:39:39</p> <p>2 Q. Okay. So my question is on GDB 01:39:46</p> <p>3 0704, if you similarly had evidence like what 01:39:51</p> <p>4 you had with respect to the transfer from 006 01:39:55</p> <p>5 to 1891 that indicated that the next step in 01:39:58</p> <p>6 the Flow of Funds related directly to the rum 01:40:05</p> <p>7 tax revenues, would it have been so indicated 01:40:08</p> <p>8 on this chart? 01:40:11</p> <p>9 A. Would you repeat the question 01:40:19</p> <p>10 again? 01:40:21</p> <p>11 Q. Okay. I'm just going to ask 01:40:24</p> <p>12 another question, then move on. 01:40:26</p> <p>13 Did you do anything -- sorry, 01:40:28</p> <p>14 scratch that. 01:40:31</p> <p>15 Did you look at the outflows from 01:40:32</p> <p>16 the 0704 account to indicate whether you could 01:40:35</p> <p>17 identify rum tax revenues as a source of the 01:40:38</p> <p>18 revenue for any of those outflows? 01:40:44</p> <p>19 A. No. It was my understanding that 01:40:51</p> <p>20 they are comingled in Account 0704 and 01:40:53</p> <p>21 indistinguishable from one another. 01:40:59</p> <p>22 MS. MILLER: Okay. I want to 01:41:01</p> <p>23 look -- I'm going to mark as Exhibit 25 01:41:24</p> <p>24 tab 1202, please. 01:41:30</p> <p>25</p>
<p style="text-align: right;">355</p> <p>1 unable to distinguish transfers whose source of 01:37:52</p> <p>2 revenue is these transfers in or were not -- or 01:37:55</p> <p>3 other transfers into Account 0704. 01:37:58</p> <p>4 Q. Okay. But the rum tax revenues 01:38:03</p> <p>5 are comingled into the 006 account, right? And 01:38:05</p> <p>6 you just explained, I think quite well, how you 01:38:09</p> <p>7 were able to identify and distinguish them from 01:38:13</p> <p>8 all the other money in the 006 account as being 01:38:15</p> <p>9 transferred into the 1891 account, right? 01:38:17</p> <p>10 A. Would you mind repeating that? 01:38:31</p> <p>11 Q. Yeah. The rum taxes flowed into 01:38:41</p> <p>12 the 006 account, which itself is a comingled 01:38:48</p> <p>13 account, correct? 01:38:51</p> <p>14 A. Correct. 01:38:54</p> <p>15 Q. But you were able to distinguish 01:38:54</p> <p>16 the rum tax revenues that flowed from the 01:38:58</p> <p>17 comingled account into the GDB 1891 account, 01:39:02</p> <p>18 right? 01:39:06</p> <p>19 A. We were able to determine that the 01:39:10</p> <p>20 source of funds of that transfer from 0006 to 01:39:12</p> <p>21 1891 was rum tax revenues. 01:39:18</p> <p>22 Q. Okay. So the fact that the moneys 01:39:19</p> <p>23 were in a comingled account didn't preclude you 01:39:21</p> <p>24 from identifying, as they flowed out, what the 01:39:26</p> <p>25 source of those revenues were, correct? 01:39:29</p>	<p style="text-align: right;">357</p> <p>1 (Monolines Exhibit 25 is 01:41:30</p> <p>2 introduced for the record.) 01:41:30</p> <p>3 BY MS. MILLER: 01:41:30</p> <p>4 Q. Okay. Mr. Ahlberg, you have in 01:42:10</p> <p>5 front of you a document that was marked 01:42:12</p> <p>6 Monolines Exhibit 25. Do you see that? 01:42:13</p> <p>7 A. I see the document, yes. 01:42:18</p> <p>8 Q. Is this a document that you've 01:42:19</p> <p>9 seen before? 01:42:25</p> <p>10 A. Do you have a certified 01:42:34</p> <p>11 translation of this document? 01:42:36</p> <p>12 Q. I do. Do you need an English 01:42:38</p> <p>13 translation to tell me whether you've seen it 01:42:42</p> <p>14 before? You probably haven't seen the English 01:42:45</p> <p>15 translation before. 01:42:47</p> <p>16 MS. MILLER: I think -- Kevin, I 01:42:55</p> <p>17 think the English translation is 1202A, if you 01:42:58</p> <p>18 want to load that, and maybe we can merge them 01:43:02</p> <p>19 into a combined exhibit. 01:43:05</p> <p>20 Does anyone have an objection if 01:43:07</p> <p>21 we mark this as 1202A and then we merge it into 01:43:10</p> <p>22 a combined exhibit at the end of the deposition 01:43:14</p> <p>23 so we don't have two exhibits? 01:43:17</p> <p>24 MS. McKEEN: I don't have an 01:43:20</p> <p>25 objection to that. I think for Exhibit 25, it 01:43:20</p>

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<p style="text-align: right;">358</p> <p>1 would certainly be helpful for the record if 01:43:25 2 that exhibit, plus the original certified 01:43:28 3 translation is one exhibit. I think that's how 01:43:32 4 we did prior deposition exhibits. 01:43:34 5 MS. MILLER: Okay. Perfect. 01:43:36 6 BY MS. MILLER: 01:43:37 7 Q. Okay. So, Mr. Ahlberg, you now 01:43:39 8 have in front of you Exhibit 25, what's now 01:43:42 9 being marked as 25A, but I'm just going to 01:43:44 10 refer to it as Exhibit 25 because we are going 01:43:47 11 to merge them after the deposition, and this is 01:43:50 12 the certified English translation of the 01:43:52 13 account opening document. 01:43:55 14 A. Okay. Thanks. 01:44:02 15 MS. MILLER: Okay. All right. My 01:44:07 16 team is telling me that my binder has some 01:44:08 17 stuff earlier, that they're already merged in 01:44:11 18 the system, so it's all Exhibit 25, and the 01:44:14 19 back pages are the certified English 01:44:18 20 translation. So you can go back and forth as 01:44:20 21 necessary. 01:44:23 22 BY MS. MILLER: 01:44:23 23 Q. So, Mr. Ahlberg, now that you have 01:44:24 24 the English in front of you, can you tell me 01:44:25 25 whether this is a document that you've seen 01:44:28</p>	<p style="text-align: right;">360</p> <p>1 then if you turn to the third page of 01:46:08 2 Exhibit 25. Okay. So it has the information 01:46:11 3 and it identifies an account number. Do you 01:46:18 4 see that? 01:46:20 5 A. Yes. 01:46:20 6 Q. And you see the account is the 01:46:26 7 1891 account; is that right? 01:46:27 8 A. Yes. 01:46:35 9 Q. And if we could just go back one 01:46:35 10 page, it indicates there's a depositor agency 01:46:38 11 listed. Do you see that? 01:46:48 12 A. Yes, I see that. 01:46:51 13 Q. And what deposit -- what is the 01:46:52 14 depositor agency? 01:46:58 15 A. It says on this document that the 01:46:59 16 depositor agency is the Banco Gubernamental de 01:47:01 17 Fomento para PR. 01:47:08 18 Q. Okay. And if you go to the next 01:47:08 19 page in the exhibit, it identifies the customer 01:47:10 20 name. Do you see that? 01:47:15 21 A. Under Customer Name I see Banco 01:47:16 22 Gubernamental de Fomento para PR. 01:47:29 23 Q. Okay. And then if we could just 01:47:29 24 look at the next -- or sorry -- two pages out, 01:47:34 25 the 4741, this is an e-mail chain dated -- I 01:47:38</p>
<p style="text-align: right;">359</p> <p>1 before? 01:44:29 2 A. I have not reviewed this specific 01:44:36 3 document before. 01:44:37 4 Q. Okay. Have you seen other 01:44:41 5 documents like this before? 01:44:43 6 A. I have seen other agreements for 01:44:49 7 opening of bank accounts. 01:44:51 8 Q. Okay. Hold on a second. Hold on 01:44:54 9 a second. I lost it. I'll see if it comes 01:44:57 10 back up again. 01:44:57 11 Okay. So I want you just to look 01:45:12 12 at the document. Do you see at the top it 01:45:15 13 indicates -- excuse me -- it indicates the 01:45:17 14 agency? 01:45:19 15 A. I see that under Agency it says: 01:45:33 16 Banco Gubernamental de Fomento para PR. 01:45:39 17 Q. Okay. And do you see the name of 01:45:39 18 this bank account, that the purpose of the 01:45:40 19 account is AFI bond debt service? Do you see 01:45:44 20 that? 01:45:49 21 A. I see that. 01:45:49 22 Q. And you understand AFI to be the 01:45:49 23 Spanish acronym for PRIFA? 01:45:52 24 A. Yes. 01:45:54 25 Q. Okay. And this account -- and 01:46:06</p>	<p style="text-align: right;">361</p> <p>1 guess it runs from November 18, 2009, through 01:47:51 2 November 20th, 2009. Do you see that? 01:47:54 3 A. Yes. 01:48:02 4 Q. And are you familiar with any of 01:48:03 5 the people who are involved in this e-mail 01:48:07 6 chain? 01:48:10 7 A. I'm not familiar with any of the 01:48:23 8 individuals whose names are on this e-mail 01:48:25 9 chain. 01:48:27 10 Q. Okay. But you see they're all 01:48:27 11 identified as being at the GDB? 01:48:29 12 A. That's what it says here. 01:48:36 13 Q. Okay. And if you look at the top 01:48:38 14 e-mail in the chain as the most recent -- or 01:48:40 15 sorry -- the second e-mail down on the page, 01:48:44 16 the one with the time stamp November 19, 2009, 01:48:46 17 at 9:10 a.m., do you see that? 01:48:50 18 A. Yes. 01:48:56 19 Q. And there's a question that says: 01:48:56 20 Hi, Arnaldo, can you please 01:48:59 21 provide me with the title of Mr. Rivera and 01:49:00 22 Mr. Garcia? I would also like to know if the 01:49:03 23 account is in the name of ASI or of the bank. 01:49:07 24 Do you see that? 01:49:10 25 A. Yes, I see that. 01:49:10</p>

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<p style="text-align: right;">362</p> <p>1 Q. And do you see the response? 01:49:12</p> <p>2 A. Yes, I see the response. 01:49:20</p> <p>3 Q. Okay. And can you just read the 01:49:21</p> <p>4 second line of the response? 01:49:24</p> <p>5 A. Is it okay if I read the whole 01:49:28</p> <p>6 response? 01:49:37</p> <p>7 Q. Yeah, you can read the whole 01:49:39</p> <p>8 thing. I just meant aloud. 01:49:39</p> <p>9 A. Gabriel Rivera is the director of 01:49:43</p> <p>10 public financing and Jesus Garcia is the 01:49:46</p> <p>11 Assistant Director of Public Financing. In the 01:49:50</p> <p>12 name of the bank, But referencing the AFI Debt 01:49:53</p> <p>13 Service. 01:49:56</p> <p>14 Q. Okay. And just looking back at 01:49:57</p> <p>15 the Flow of Funds which is Exhibit 24, from 01:49:59</p> <p>16 January 2014 to January 2015 -- sorry -- to 01:50:04</p> <p>17 June 2015, do you see the 1891 account on this 01:50:09</p> <p>18 exhibit? 01:50:28</p> <p>19 A. Yes, I see the account 1891. 01:50:28</p> <p>20 Q. Okay. And you testified 01:50:30</p> <p>21 previously that blue meant that it was in 01:50:31</p> <p>22 PRIFA's name; is that right? 01:50:34</p> <p>23 A. Yeah, I referenced that PRIFA's 01:50:40</p> <p>24 name would be on the bank statement. 01:50:44</p> <p>25 Q. Okay. And what's the basis for 01:50:46</p>	<p style="text-align: right;">364</p> <p>1 Okay. And when you said PRIFA's 01:52:08</p> <p>2 name would be on it, do you mean as an account 01:52:10</p> <p>3 holder? 01:52:12</p> <p>4 And you said: 01:52:13</p> <p>5 Yes. 01:52:13</p> <p>6 Do you recall me asking those 01:52:14</p> <p>7 questions and you giving those answers? 01:52:16</p> <p>8 A. Yes. 01:52:19</p> <p>9 Q. I'm asking you what the basis is 01:52:23</p> <p>10 for your testimony that PRIFA is an account 01:52:26</p> <p>11 holder of the 1891 account. 01:52:31</p> <p>12 A. I remember answering your 01:52:38</p> <p>13 question, original question in that way, and 01:52:40</p> <p>14 what I meant is that I knew that PRIFA's name 01:52:42</p> <p>15 was on the bank statements. I'm just -- I'm 01:52:44</p> <p>16 not an attorney. I'm not certain if account 01:52:49</p> <p>17 holder or not holder is a legal term that has 01:52:52</p> <p>18 an implication I'm not aware of. 01:52:55</p> <p>19 Q. I'm not talking about a legal 01:52:57</p> <p>20 term. I'm just asking you whether it is a 01:52:59</p> <p>21 PRIFA account or not a PRIFA account. 01:53:02</p> <p>22 A. And my answer would be that 01:53:09</p> <p>23 PRIFA's name is on the bank statement. 01:53:12</p> <p>24 Q. So you don't know if it's a PRIFA 01:53:15</p> <p>25 account or not? 01:53:17</p>
<p style="text-align: right;">363</p> <p>1 your position that the 1891 account was held in 01:50:52</p> <p>2 PRIFA's name? 01:50:55</p> <p>3 A. I didn't say it was held in 01:50:59</p> <p>4 PRIFA's name. I just mentioned that PRIFA's -- 01:51:01</p> <p>5 PRIFA's name would be on the bank statements. 01:51:04</p> <p>6 Q. Okay. So I think you said that, 01:51:08</p> <p>7 and then I specifically asked you -- and we can 01:51:11</p> <p>8 go back if you need to, but I specifically 01:51:14</p> <p>9 asked if by that you meant that PRIFA was the 01:51:16</p> <p>10 account holder. Do you recall that? 01:51:20</p> <p>11 A. I do recall you asking me that 01:51:30</p> <p>12 question. 01:51:31</p> <p>13 Q. Okay. And you said yes. Do you 01:51:33</p> <p>14 recall giving me that answer? 01:51:35</p> <p>15 A. Yes, I do remember giving that 01:51:36</p> <p>16 answer. I meant to answer in the context of 01:51:43</p> <p>17 meaning that PRIFA's name would be on their 01:51:49</p> <p>18 bank statement. 01:51:51</p> <p>19 Q. Well, I said: 01:51:55</p> <p>20 What does the blue box indicate? 01:51:58</p> <p>21 And you said: 01:52:00</p> <p>22 In the case of the blue box, it 01:52:02</p> <p>23 would indicate that PRIFA's name would be on 01:52:03</p> <p>24 the bank account statement of those accounts. 01:52:05</p> <p>25 And I said: 01:52:07</p>	<p style="text-align: right;">365</p> <p>1 MS. McKEEN: Objection. 01:53:18</p> <p>2 THE WITNESS: I know PRIFA's name 01:53:23</p> <p>3 is on the bank statement. 01:53:24</p> <p>4 MS. MILLER: Can I ask someone 01:53:36</p> <p>5 from my team to pull up a bank statement for 01:53:39</p> <p>6 the 1891 account so Mr. Ahlberg can show us 01:53:42</p> <p>7 where PRIFA's name is on the account statement, 01:53:46</p> <p>8 please? 01:53:52</p> <p>9 BY MS. MILLER: 01:53:52</p> <p>10 Q. This might take a minute, 01:53:55</p> <p>11 Mr. Ahlberg. I apologize. 01:53:56</p> <p>12 A. No problem. 01:54:00</p> <p>13 Q. While you're waiting or while 01:54:27</p> <p>14 we're waiting, based on Exhibit 25 that we just 01:54:30</p> <p>15 looked at, would you agree with me that the GDB 01:54:32</p> <p>16 is the account holder of the 1891 account? 01:54:35</p> <p>17 A. You asked me to confirm if GDB is 01:54:58</p> <p>18 the account holder of this account? 01:55:01</p> <p>19 Q. I'm asking you whether, based on 01:55:04</p> <p>20 Monolines Exhibit 25, which we could put that 01:55:08</p> <p>21 one back up, you would agree with me that the 01:55:13</p> <p>22 GDB is actually the account holder of the 1891 01:55:16</p> <p>23 account? 01:55:19</p> <p>24 A. I don't know if there's a specific 01:55:30</p> <p>25 way you're using "account holder." I'm just -- 01:55:32</p>

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<p style="text-align: right;">366</p> <p>1 not being an attorney, I'm uncertain of the 01:55:36 2 implications of that phrase "account holder." 01:55:39 3 Q. Do you own a bank account, 01:55:42 4 Mr. Ahlberg? 01:55:44 5 A. I do have bank accounts. 01:55:45 6 Q. Okay. Do you understand what it 01:55:47 7 means when someone asks you if you're the 01:55:49 8 account holder of a certain account? 01:55:55 9 A. Generally, I would understand if 01:56:01 10 someone asked me that question. 01:56:03 11 Q. Okay. Do you have any joint bank 01:56:07 12 accounts? 01:56:14 13 A. No. 01:56:14 14 Q. How do you understand that 01:56:19 15 generally when someone -- if someone were to 01:56:21 16 ask you that? 01:56:25 17 UNIDENTIFIED SPEAKER: Object to 01:56:26 18 form. 01:56:26 19 THE WITNESS: If someone were to 01:56:26 20 ask me what? Would you mind repeating the 01:56:29 21 question? 01:56:29 22 BY MS. MILLER: 01:56:31 23 Q. If someone were to ask you if you 01:56:31 24 were the account holder of a particular bank 01:56:33 25 account. 01:56:36</p>	<p style="text-align: right;">368</p> <p>1 Q. Okay. So what criteria did you 01:58:09 2 apply to the GDB 1891 account that resulted in 01:58:11 3 you designating it as a blue box? 01:58:14 4 A. In color coding as a general 01:58:25 5 association and to help the reader interpret 01:58:29 6 this presentation, but understanding that 01:58:31 7 PRIFA's name was on the bank statement, I 01:58:34 8 thought it was appropriate to make that box 01:58:38 9 blue. 01:58:41 10 (Monolines Exhibit 26 is 01:58:41 11 introduced for the record.) 01:58:41 12 BY MS. MILLER: 01:58:42 13 Q. Okay. So now we are looking at a 01:58:42 14 bank statement that's been marked Monolines 01:58:45 15 Exhibit 26, and when you say that PRIFA's name 01:58:48 16 was on the bank statement, do you mean that 01:58:53 17 PRIFA's name is indicated in the account name? 01:58:55 18 A. PRIFA in this exact bank statement 01:59:05 19 example that we're looking at, that is correct, 01:59:08 20 that PRIFA's listed in the account name under 01:59:11 21 the Spanish acronym AFL. 01:59:16 22 Q. You don't see PRIFA's name 01:59:18 23 anywhere else, do you? 01:59:20 24 Well, sorry. You don't see 01:59:21 25 PRIFA's name as an account holder, right? 01:59:23</p>
<p style="text-align: right;">367</p> <p>1 A. In the context of my own personal 01:56:41 2 finances, I would think that would mean that 01:56:44 3 it's an account that -- that I have the ability 01:56:46 4 to withdraw funds from or deposit funds into. 01:56:51 5 THE REPORTER: I'm sorry. Excuse 01:57:11 6 me one moment. I'm sorry. 01:57:11 7 I just wanted to ask, Ms. McKeen, 01:57:11 8 would you mind moving the phone closer to you? 01:57:13 9 You're very faint with your objections. Sorry. 01:57:15 10 Go ahead. 01:57:17 11 MS. McKEEN: (Indiscernible) I 01:57:17 12 haven't objected in several questions. So I'm 01:57:18 13 not sure if you heard any. That wasn't me. I 01:57:20 14 didn't hear an opposing objection. Can you 01:57:25 15 hear me now? 01:57:31 16 THE REPORTER: I can. Thank you. 01:57:32 17 MS. McKEEN: Thank you. 01:57:33 18 BY MS. MILLER: 01:57:33 19 Q. Is that the same understanding 01:57:44 20 that you used in determining whether or not to 01:57:46 21 designate a box blue or not? 01:57:49 22 A. Did not apply the same -- same 01:57:59 23 exact criteria that I just referenced in my own 01:58:04 24 personal finances to the Flow of Funds 01:58:07 25 presentation. 01:58:09</p>	<p style="text-align: right;">369</p> <p>1 A. I don't see the phrase "account 01:59:39 2 holder" listed anywhere on this page. 01:59:43 3 Q. Okay. And you do see that the 01:59:46 4 account statements are being directed to 01:59:48 5 Mr. Gabriel Rivera, the director of public 01:59:50 6 finance at the GDB, right? 01:59:52 7 A. I do see that. 02:00:04 8 Q. Okay. And did you do anything 02:00:05 9 other than noting that PRIFA's name was 02:00:06 10 mentioned somewhere on that account statement 02:00:12 11 to identify whether or not the account was 02:00:13 12 actually a PRIFA account? 02:00:16 13 A. Can you repeat the question, 02:00:29 14 please? 02:00:31 15 Q. Yeah. Did you do anything other 02:00:32 16 than noting that PRIFA's name was mentioned 02:00:33 17 somewhere on the account statement to identify 02:00:36 18 whether or not the account was actually a PRIFA 02:00:39 19 account? 02:00:41 20 A. No, no. 02:00:54 21 Q. Okay. I want to go back to 02:00:55 22 Exhibit 24, please. 02:00:58 23 Am I understanding this chart 02:01:16 24 correctly that between the January 2014 and 02:01:18 25 June 2015 period, the only account that had the 02:01:23</p>

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<p style="text-align: right;">370</p> <p>1 full 117 million of rum excise taxes was the 02:01:28 2 GDB 006 account? 02:01:32 3 A. I missed the last part of your 02:01:40 4 question, sorry. Could you repeat it? 02:01:42 5 Q. Okay. Am I correct that according 02:01:44 6 to this chart, from the January '14 to 02:01:46 7 June 2015 period, the only bank account that 02:01:50 8 held the full \$117 million rum excise taxes was 02:01:54 9 the GDB 006 account? 02:01:58 10 Sorry, let me -- let me restate 02:02:04 11 that because I misspoke in the question. Let 02:02:06 12 me ask it again. 02:02:08 13 Am I correct that according to 02:02:09 14 this chart, from January '14 to June 2015, the 02:02:11 15 only bank account that held the first 02:02:17 16 \$117 million in full was the GDB 006 account? 02:02:20 17 A. I can't say that there was any one 02:02:27 18 given time where the 117 million was 02:02:41 19 identifiable as a separate cash balance within 02:02:48 20 the operating account 0006. 02:02:51 21 Q. Okay. That's a fair point. Let 02:02:55 22 me restate it. 02:03:01 23 Is it true that in the 02:03:02 24 January 2014 to June 2015 period, the only 02:03:04 25 account that the full first \$117 million of rum 02:03:08</p>	<p style="text-align: right;">372</p> <p>1 Remesa for rum taxes during this time, which is 02:05:57 2 stamped August 2014. This is probably fiscal 02:06:03 3 year 2014. 02:06:09 4 Q. Okay. 02:06:11 5 A. Or fiscal year 2015. 02:06:13 6 Q. And are these among the documents 02:06:15 7 or the type of documents that you reviewed in 02:06:17 8 preparing the Flow of Funds that we discussed 02:06:20 9 earlier? 02:06:22 10 A. Yes, this type of document would 02:06:25 11 be included in that review. 02:06:27 12 Q. Okay. And you see here there's a 02:06:32 13 designation Fondo, and it says 111. Do you see 02:06:37 14 that? 02:06:39 15 A. Yes. 02:06:39 16 Q. And do you know what Fund 111 is? 02:06:40 17 A. Fund 111 is one of the fund 02:06:46 18 numbers used to identify General Fund. 02:06:49 19 Q. Okay. And then to the left of 02:06:51 20 that it says Cuenta R4220. Do you see that? 02:06:53 21 A. Yes. 02:06:58 22 Q. And is that the revenue account 02:06:59 23 within the General Fund that's used for rum 02:07:01 24 excise taxes that we discussed earlier? 02:07:07 25 A. That's the revenue account used 02:07:10</p>
<p style="text-align: right;">371</p> <p>1 excise taxes flowed through was the GDB 006 02:03:11 2 account? 02:03:16 3 A. Yes. 02:03:24 4 Q. Thank you for that clarification. 02:03:25 5 Okay. So I'd like to now mark as 02:03:36 6 Exhibit 26 tab 1301. 02:03:43 7 MS. MILLER: Actually, Kevin, 02:04:08 8 before we go there, can I just -- can we mark 02:04:09 9 quickly tab 1203? 02:04:13 10 (Monolines Exhibit 27 is 02:04:13 11 introduced for the record.) 02:04:13 12 BY MS. MILLER: 02:04:13 13 Q. Okay. So we have marked as 02:04:54 14 Monolines Exhibit 27 -- we'll come back to 02:04:56 15 26 -- a document. Is this a document that you 02:04:58 16 recognize? 02:05:04 17 A. Yes. 02:05:28 18 Q. Okay. And what is this document? 02:05:29 19 A. I would like to clarify that I 02:05:30 20 recognize this type of document. I can't 02:05:32 21 recall specifically reviewing this exact 02:05:35 22 document. 02:05:37 23 Q. Fair enough. 02:05:38 24 And what is this type of document? 02:05:38 25 A. This document is a Comprobante de 02:05:52</p>	<p style="text-align: right;">373</p> <p>1 within the PRIFA system to record the revenues 02:07:13 2 of rum taxes. 02:07:17 3 Q. Okay. Do you know whether that's 02:07:18 4 used to record all of the revenues of rum taxes 02:07:20 5 or just the first 117 million of rum taxes? 02:07:22 6 Let me break it out. 02:07:28 7 Is that revenue account number 02:07:30 8 used to record all of the revenues of rum 02:07:31 9 taxes? 02:07:36 10 A. I'm not positive. I would have to 02:07:49 11 double-check on that and get back to you. 02:07:54 12 Q. Okay. How would you go about 02:07:56 13 double-checking? 02:07:59 14 A. I would just have to look at the 02:08:13 15 voucher maybe similar to this one that -- whose 02:08:20 16 amount, which, you know, ended up meaning 02:08:28 17 specifically your total exceeded 117 million 02:08:31 18 and they were still using account code 4220, 02:08:34 19 that would indicate to me that they were using 02:08:37 20 Account 4220 for rum proceed revenues, the 02:08:40 21 first 117, as well as the excise. 02:08:44 22 Q. And if you ran the report that we 02:08:50 23 discussed earlier from the PRIFA system on 02:08:52 24 Revenue Account 4220, you would be able to tell 02:08:56 25 that based on the report, correct? 02:08:58</p>

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<p style="text-align: right;">374</p> <p>1 A. Correct. 02:09:04</p> <p>2 Q. You didn't run that report, right? 02:09:06</p> <p>3 A. No, I have not run that report. 02:09:10</p> <p>4 Q. Okay. And how long do you think 02:09:12</p> <p>5 it would take to run that report for a single 02:09:16</p> <p>6 fiscal year? 02:09:19</p> <p>7 A. I don't know specifically how long 02:09:24</p> <p>8 the system would take to process that, but I 02:09:25</p> <p>9 imagine it would be accomplishable within 02:09:28</p> <p>10 one day. 02:09:31</p> <p>11 Q. And when you say "accomplishable 02:09:33</p> <p>12 within one day," you just mean processing time? 02:09:36</p> <p>13 A. Right. I can't speculate on time 02:09:40</p> <p>14 to quality control review data that the system 02:09:45</p> <p>15 would potentially output. 02:09:48</p> <p>16 Q. How long would it take to come up 02:09:49</p> <p>17 with a query? 02:09:51</p> <p>18 A. Query -- query -- I mean, I guess 02:10:00</p> <p>19 I could tell you what the query is now. You 02:10:07</p> <p>20 would need time to determine what the 02:10:09</p> <p>21 parameters of the query would be. 02:10:11</p> <p>22 Q. Do you know whether moneys other 02:10:24</p> <p>23 than the first 117 million of rum -- sorry, 02:10:27</p> <p>24 strike that. Let me start over. 02:10:32</p> <p>25 Do you know whether rum excise 02:10:34</p>	<p style="text-align: right;">376</p> <p>1 flow into a Fund other than the General Fund? 02:12:13</p> <p>2 UNIDENTIFIED SPEAKER: Objection. 02:12:20</p> <p>3 THE WITNESS: I disagree with the 02:12:20</p> <p>4 characterization of funds flowing into any 02:12:23</p> <p>5 Fund. 02:12:25</p> <p>6 BY MS. MILLER: 02:12:25</p> <p>7 Q. Okay. So you disagree with the 02:12:26</p> <p>8 funds being allocated. All right. 02:12:28</p> <p>9 So you don't know whether they're 02:12:36</p> <p>10 allocated to a Fund other than the General 02:12:38</p> <p>11 Fund? 02:12:44</p> <p>12 A. The first 117 million are recorded 02:12:44</p> <p>13 with the General Fund fund number. 02:12:47</p> <p>14 Q. Do you know whether moneys beyond 02:12:52</p> <p>15 the first 117 million are recorded with a Fund 02:12:54</p> <p>16 number that is not the General Fund? 02:12:58</p> <p>17 A. I don't know for certain since we 02:13:03</p> <p>18 didn't look at the funds outside the 117 for 02:13:04</p> <p>19 purposes of the Flow of Funds presentation. 02:13:08</p> <p>20 That would certainly be something we could 02:13:10</p> <p>21 follow up on and get back to you. 02:13:13</p> <p>22 Q. Okay. Do you think they might be? 02:13:15</p> <p>23 MS. McKEEN: Objection. 02:13:21</p> <p>24 THE WITNESS: I can't speculate 02:13:23</p> <p>25 one way or the other. 02:13:24</p>
<p style="text-align: right;">375</p> <p>1 taxes beyond the first 117 million of rum 02:10:36</p> <p>2 excise taxes are deposited into the General 02:10:40</p> <p>3 Fund? 02:10:40</p> <p>4 UNIDENTIFIED SPEAKER: Objection. 02:10:40</p> <p>5 THE REPORTER: I'm sorry, did 02:10:40</p> <p>6 somebody -- I'm sorry? 02:10:40</p> <p>7 THE WITNESS: (Indiscernible) 02:10:53</p> <p>8 deposited into the General Fund. 02:10:53</p> <p>9 BY MS. MILLER: 02:10:54</p> <p>10 Q. Okay. Do you know whether the 02:10:54</p> <p>11 R4220 account is used in connection with other 02:10:57</p> <p>12 Funds as well? 02:11:01</p> <p>13 Sorry, just -- just to be clear, 02:11:21</p> <p>14 when I said Funds, I meant capital F Fund, the 02:11:23</p> <p>15 Fund of the Special Fund other than the 02:11:26</p> <p>16 general. 02:11:34</p> <p>17 UNIDENTIFIED SPEAKER: Objection. 02:11:36</p> <p>18 THE WITNESS: I know the first 02:11:38</p> <p>19 117 million would use the General Fund 02:11:39</p> <p>20 identifier there. We -- we did not look at 02:11:42</p> <p>21 the, you know, the revenues outside the first 02:12:00</p> <p>22 117 for purposes of the Flow of Funds 02:12:03</p> <p>23 accreditation. 02:12:07</p> <p>24 BY MS. MILLER: 02:12:07</p> <p>25 Q. So you don't know whether they 02:12:11</p>	<p style="text-align: right;">377</p> <p>1 (Monolines Exhibit 28 is 02:13:24</p> <p>2 introduced for the record.) 02:13:24</p> <p>3 MS. MILLER: Okay. I want to go 02:13:47</p> <p>4 to Exhibit 26 now, please, Kevin. 02:13:50</p> <p>5 BY MS. MILLER: 02:13:50</p> <p>6 Q. Mr. Ahlberg, did you review the 02:13:51</p> <p>7 lockbox agreement in connection with your 02:14:23</p> <p>8 preparation for your deposition today? 02:14:27</p> <p>9 A. I did not review the lockbox 02:14:28</p> <p>10 agreement in preparation for this deposition, 02:14:30</p> <p>11 but I am familiar with the lockbox agreement 02:14:33</p> <p>12 based on my ordinary business and work with the 02:14:35</p> <p>13 Commonwealth. 02:14:39</p> <p>14 Q. Okay. And in what context have 02:14:39</p> <p>15 you encountered the lockbox agreement in the 02:14:45</p> <p>16 course of your ordinary work? 02:14:49</p> <p>17 A. Beyond the first 117 million that 02:14:58</p> <p>18 we have been discussing together, there's a rum 02:15:00</p> <p>19 tax waterfall that proceeds after that, and I 02:15:03</p> <p>20 have reviewed actual cash flows with -- actual 02:15:09</p> <p>21 cash flows in the rum tax waterfall after the 02:15:19</p> <p>22 first 117 million in my normal course of 02:15:22</p> <p>23 business with the Commonwealth. 02:15:26</p> <p>24 Q. And in the course of that, have 02:15:41</p> <p>25 you looked at the actual document? 02:15:43</p>

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1	A. Somewhere along the lines in the	02:15:51	1	understand that the lockbox agreement sets	02:19:25
2	past two and a half years, I have seen the	02:15:54	2	forth a Flow of Funds for the rum tax revenue.	02:19:33
3	actual lockbox agreement.	02:15:57	3	A. Not being an attorney, I'm not	02:19:50
4	Q. Okay. Do you understand that	02:16:01	4	positive that this lockbox agreement says that.	02:19:52
5	under the lockbox agreement -- which,	02:16:16	5	Q. Why did you look at it in	02:19:58
6	apologies, is being pulled off, I created	02:16:18	6	connection with the Flow of Funds of the rum	02:20:01
7	confusion, apparently. We already used	02:16:20	7	taxes in the ordinary course of your business?	02:20:03
8	Exhibit 26. So this will be Exhibit 27 -- that	02:16:24	8	A. In my ordinary course of business,	02:20:06
9	there are multiple transfers that -- let me	02:16:34	9	and understanding the historical Flow of Funds	02:20:14
10	ask.	02:16:39	10	for rum taxes, for us it meant understanding	02:20:17
11	Here's the lockbox agreement. Is	02:16:40	11	that transfers were -- after the lockbox	02:20:21
12	this the agreement that we were just talking	02:16:42	12	agreements were coming directly from the	02:20:27
13	about?	02:16:43	13	Citibank account as opposed to being	02:20:30
14	A. Yes.	02:16:58	14	transferred directly from the U.S. Government.	02:20:32
15	Q. Okay. So the record is clear,	02:16:59	15	Q. Okay. And is that	02:20:34
16	because we have now said it wrong three times,	02:17:06	16	something -- when you said in the ordinary	02:20:37
17	Monolines Exhibit 28 is the lockbox agreement	02:17:09	17	course of your business, did you mean in	02:20:39
18	dated May 5, 2015. Who's the lockbox trustee?	02:17:12	18	connection with preparing these Flow of Funds	02:20:42
19	Sorry, what does the lockbox say?	02:17:33	19	documents?	02:20:45
20	A. Citibank.	02:17:42	20	A. No.	02:20:47
21	Q. And do you understand that under	02:17:50	21	Q. Okay. So in connection with your	02:20:47
22	this agreement Citibank has to make a number of	02:17:51	22	ordinary course of business, you have to	02:20:53
23	transfers to various entities, right?	02:17:54	23	understand that historical Flow of Funds	02:20:54
24	A. Not being an attorney, I'm not	02:18:04	24	differed from the Flow of Funds under the	02:20:59
25	certain what the lockbox agreement mandates or	02:18:06	25	lockbox agreement? Did I understand that	02:21:01

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1	does not mandate.	02:18:08	1	right?	02:21:04
2	Q. Okay. Well, I thought you told me	02:18:09	2	MS. McKEEN: Objection.	02:21:08
3	that in the ordinary course of your business,	02:18:12	3	THE WITNESS: From a normal course	02:21:14
4	you have seen the lockbox agreement and	02:18:14	4	of business, I understood the lockbox agreement	02:21:16
5	considered it in connection with the Flow of	02:18:18	5	changed the Flow of Funds.	02:21:19
6	Funds that it mandates. No? Did I get that	02:18:20	6	BY MS. MILLER:	02:21:19
7	wrong?	02:18:24	7	Q. Okay. Do you understand how it	02:21:22
8	UNIDENTIFIED SPEAKER: Objection.	02:18:28	8	changed the Flow of Funds?	02:21:23
9	THE WITNESS: I'm generally	02:18:30	9	A. Yes. The funds are -- rum taxes	02:21:31
10	familiar with the lockbox agreement, and in the	02:18:31	10	are -- first went to Citibank prior to transfer	02:21:35
11	context in which I would have been familiar	02:18:36	11	to the TSA, as opposed to coming directly from	02:21:40
12	with it was in monitoring cash flow activity	02:18:37	12	the U.S. Government.	02:21:43
13	with respect to rum tax.	02:18:42	13	Q. Okay. And then, after the first	02:21:44
14	BY MS. MILLER:	02:18:44	14	117 -- well, look at page 4 of the lockbox	02:21:52
15	Q. Okay. And so you understand that	02:18:45	15	agreement.	02:21:55
16	the lockbox agreement outlines period cash	02:18:46	16	And is this specifically a page	02:21:57
17	flows or the flow of various revenues, right?	02:18:51	17	that you've seen before? And I'm going to	02:21:58
18	MS. McKEEN: Objection.	02:19:08	18	direct you to Section 5, which is the	02:22:00
19	THE WITNESS: I understand it's --	02:19:11	19	Disposition of Cover Over Payments in the	02:22:02
20	the Flow of Funds is different before and after	02:19:12	20	account. Do you see that?	02:22:04
21	the lockbox agreement is operational.	02:19:17	21	A. I see that fifth section there.	02:22:05
22	BY MS. MILLER:	02:19:20	22	Q. Okay. And did you look at this	02:22:16
23	Q. Okay. I have not asked anything	02:19:20	23	fifth section in the ordinary course of	02:22:18
24	about that.	02:19:22	24	business before preparing the PRIFA Flow of	02:22:26
25	I'm just asking you whether you	02:19:23	25	Funds for this deposition?	02:22:29

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1	A. I don't recall specifically	02:22:33	1	MS. McKEEN: Objection.	02:25:11
2	reviewing this exact section of the document.	02:22:34	2	BY MS. MILLER:	02:25:11
3	Q. Okay. Do you have an	02:22:40	3	Q. -- under the lockbox agreement?	02:25:13
4	understanding of how the moneys beyond the	02:22:40	4	MS. McKEEN: Objection.	02:25:21
5	first 117 million flow?	02:22:43	5	THE WITNESS: I believe that it	02:25:28
6	A. I have a general understanding.	02:22:52	6	says:	02:25:28
7	Q. Okay. What's your general	02:22:57	7	Second, to the Secretary of	02:25:29
8	understanding?	02:23:01	8	Treasury for deposit to the credit of the S&T	02:25:32
9	A. My general understanding is that	02:23:01	9	Trust, which I understand is the Science and	02:25:36
10	after the first 117 million, that there	02:23:06	10	Technology Trust.	02:25:36
11	are -- there's a waterfall for the remaining --	02:23:12	11	BY MS. MILLER:	02:25:39
12	remaining distribution of funds.	02:23:19	12	Q. Okay. And what about third?	02:25:39
13	Q. Okay. And do you know who gets	02:23:21	13	A. The document says:	02:25:44
14	the second payment in the waterfall?	02:23:22	14	Third, to the Secretary of	02:25:46
15	A. I can't recall off the top of my	02:23:26	15	Treasury, the remaining amount of Non-Rum COR	02:26:00
16	head who gets the second payment in the	02:23:29	16	included in such Cover Over Payment.	02:26:06
17	waterfall.	02:23:32	17	Q. Okay. And then what about 4?	02:26:11
18	Q. Well, good news. You don't have	02:23:32	18	A. The document says:	02:26:14
19	to recall off the top of your head. If you	02:23:34	19	Fourth, to the Secretary of	02:26:21
20	look at Section 5(b), it says "Second."	02:23:36	20	Treasury, the remaining amount of other rum	02:26:22
21	So you can just read it and then	02:23:36	21	Cover Over or COR included in such Cover Over	02:26:25
22	tell me if that refreshes your recollection of	02:23:39	22	Payment.	02:26:28
23	who gets the second flow in the waterfall.	02:23:46	23	Q. Okay. Do you know whether the	02:26:30
24	A. Counsel, could you point me to the	02:23:51	24	Commonwealth accounts for each of these buckets	02:26:32
25	section of the document you're referring to?	02:23:53	25	of rum tax revenues differently when it	02:26:36
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1	Q. Section 5(b), as in boy.	02:24:01	1	receives them from Citi?	02:26:39
2	Actually -- sorry. Yeah, that's right.	02:24:03	2	A. I'm not certain if there's	02:26:52
3	Section 5(b).	02:24:10	3	different accounting treatment for the rum	02:26:54
4	MS. McKEEN: Atara, when you get	02:24:11	4	revenues in excess of the first 117 million.	02:26:59
5	to a convenient stopping place, if we could	02:24:14	5	Q. Do you know if the 5 million to	02:27:03
6	have a short break, I would appreciate it.	02:24:16	6	the credit of the S&T Trust if -- sorry -- is	02:27:06
7	MS. MILLER: Sure. Actually,	02:24:22	7	credited to the General Fund?	02:27:11
8	almost done with this. I want to go a few	02:24:23	8	A. I'm not positive off the top of my	02:27:20
9	minutes longer, and hopefully I can wrap this	02:24:26	9	head if that is the case.	02:27:23
10	up.	02:24:29	10	Q. What would you do to find out	02:27:26
11	MS. McKEEN: That's great. Thank	02:24:29	11	whether the transfers in (a), (b), (c) and (d)	02:27:28
12	you. Just a quick one.	02:24:30	12	of Section 5 of Exhibit 28 are accounted for	02:27:34
13	MS. MILLER: Okay.	02:24:31	13	differently on the internal accounting records	02:27:38
14	BY MS. MILLER:	02:24:38	14	of the Commonwealth?	02:27:41
15	Q. Mr. Ahlberg, does Section 5(b)	02:24:38	15	A. Apologies, I'm just thinking here.	02:28:07
16	refresh your recollection as to who gets the	02:24:41	16	Would you mind repeating the question?	02:28:10
17	second distribution of rum taxes after the	02:24:43	17	Q. Yeah. My question is:	02:28:11
18	first 117 million?	02:24:46	18	What would you do to determine	02:28:13
19	A. That refreshes my recollection of	02:24:53	19	whether the transfers in Section 5(a), (b), (c)	02:28:14
20	what this lockbox agreement says. I can't say	02:24:55	20	and (d) of Exhibit 28 are accounted for	02:28:18
21	for certain that -- off the top of my head that	02:24:59	21	differently on the internal accounting records	02:28:22
22	this is how the cash flow on activity follows.	02:25:03	22	of the Commonwealth?	02:28:24
23	Q. Okay. Who's supposed to get the	02:25:06	23	A. I would -- first, I would discuss	02:28:43
24	next 5 million --	02:25:09	24	with -- with Treasury and review the transfers	02:28:45
25			25	into -- review the, you know, transfers letters	02:28:53